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A CONCEPTUAL FRAMEWORK FOR ANALYSIS

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THE POLICY FORMATION PROCESS;

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by

Eliezer Fuchs

Abstract

The main objective of this research is the development and initial testing (through secondary analysis) of a conceptual framework for analysis which is intended to assist both the policy analyst and the policy researcher in their empirical investigations into policy phenomena. This framework is meant to facilitate understanding of the policy formation process by focusing attention on the basic forces shaping the main features of policy formation as a dynamic social-political-organizational process.

The primary contribution of the framework lies in its capability to suggest useful ways of looking at policy formation reality. It provides the analyst and the researcher with a group of indicators which suggest where to look and what to look for when attempting to analyze and understand the mix of forces which energize, maintain, and direct the operation of strategic level policy systems. Furthermore, it represents more than a checklist of important variables because it extends well beyond the mere identification of such variables. That is, the framework also highlights inter-connections, linkages, and relational patterns between and among important variables. The framework offers an integrated set of conceptual tools which facilitate understanding of and research on the complex and dynamic set of variables which interact

in any major strategic level policy formation process.

The framework developed herein is grounded in a set of basic, policy-relevant concepts, including the concepts of: policy, policy strategies, search, policy feasibility, the scope and intensity of change, crisis, and policy analysis. The main components of the framework include: alternative policy strategies, strategic decision issues, policy analysis, and policy feasibility. Within these components, specific emphasis is given to a diverse set of strategic, analytical, and extra-rational variables. In addition, political variables such as consensus building and maintenance, coalition formation, and the intentions, perceptions, leverage, and capacities of policy actors are integrated into the framework.

Once developed, the framework is initially tested through application to a recently recorded case study of a broad, complex, strategic level policy formation process. The case study chosen for this purpose represents a rich mix of strategic, analytical, and political variables. It traces the operation of the policy formation process which ultimately resulted in a major reorganization of the United States postal system. Through application of the framework, the Postal Reform Case is analyzed, with particular emphasis on the strategic aspects of the policy formation process.

The utility of the framework as an heuristic aid to policy analysis and policy research is clearly demonstrated even in this preliminary testing through secondary analysis. Use of the framework provided conceptual tools for focusing and ordering a wealth of complex behavioral data, and it facilitated analysis and understanding of this unstructured

and variable-rich policy formation process.

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Part I: Introduction and Overview

Chapter One:

Policy Research: The Need, The Ends, and The Means

Chapter One

Policy Research: The Need, The Ends, and The Means

1A. Introduction and Overview

This first chapter of what promises to be a rather lengthy study of the policy formation process will deal with the need for research on the policy formation process, the ends to be achieved by this study (i.e., the research objectives and intended outputs) and the means for moving towards that goal (i.e., the study design and methodology).

This study, and a complimentary effort being carried out nearly simultaneously by a fellow doctoral candidate at Northwestern University,* is the result of a long-standing interest in gaining theoretical insights into the complexity of the operation of the policy formation process, as a means of enhancing the now rather primitive capability to improve that process and the policy outcomes it produces. Early attempts at policy analysis and policy research made obvious the need for some type of at least semi-structured framework to bring order to the complexity and dynamic nature of the numerous variables which affect policy formation. Furthermore, prior organizational experience and a general familiarity with the policy literature created an awareness of the need for a framework which would facilitate behaviorally oriented studies of the policy formation process. This study is an attempt to meet that need.

1B. The Need for Research on the Policy Formation Process

The basic need for research on the policy formation process arises

* My colleague, Harold E. Dolenga, is preparing a comprehensive, analytical case study of the policy formation process as manifested in recent postal reform and reorganization policy decisions taken by the U.S. Government.

out of an historical neglect* of this type and level of phenomenon, and the resultant low level of knowledge about policy processes. This unacceptable state of affairs, and the challenge it presents, are both encapsulated in this brief observation by Joseph Bower: (1)

"In short, the theory of organizations is still in an infant stage as far as the policymaker is concerned. To some extent, we know what is needed, however, and it is thus possible that efforts can be usefully invested in accelerating and guiding the maturation process." (p. 143)

Thus, the basic rationale for this study is the pressing need to provide concrete input into an emerging, seminal effort which is aimed at "accelerating and guiding the maturation process" of organization theory from a policy perspective.

The terms policy and policy formation, as defined in this study, are intended to connote a concern with strategic, macro-level decision processes. The primary focus of this work will be on the main features of policy formation as a social-political-organizational process, with a particular emphasis on the strategic aspects of the dynamic interactions manifest in policy systems.

1B1. Necessary Prerequisites. Before significant progress can be made insofar as the study of the policy formation process, it appears to be fairly obvious that two pre-requisites need to be met. The first of these concerns the nearly complete absence in the literature of analytically oriented descriptions of actual policy system behavior vis-a-vis complex,

* This neglect arose partly out of a less than adequate research methodology, and partly out of a distortion of the so-called "scientific method," which was erroneously interpreted to mean that phenomena not susceptible to "rigorous" empirical testing should not or could not be studied "scientifically". These false barriers to policy research are examined and countered in this chapter.

dynamic, real policy formation processes. For a variety of reasons, these real processes are rarely recorded by the participants or even by knowledgeable observers. Such documentation as has been done by "outsiders" tends to be one or more of the following: inaccurate, superficial, narrow in focus, incomplete, untimely, or lacking in theoretical content. In short, policy research is severely hampered by the lack of a reliable data base. Sophisticated behavioral studies of actual policy formation processes are long overdue.*

The second pre-requisite to meaningful policy process research is related to the need for a theoretical framework to guide and focus research efforts. At present, it is nearly impossible to locate an operational research paradigm adequate for policy research. The necessary tools, concepts, and theoretical foundations (to the extent they exist at all) are intermingled in a vast and diffuse literature which encompasses diverse disciplines and methodologies.

1B2. The Need for a Framework. Even if a reliable data base were now available, that data would likely be so rich and complex as to defy treatment by typical research methodologies. What appears to be lacking is the development of a conceptual framework for analysis. Such a framework would necessarily require an eclectic theoretical grounding and a flexible structure capable of accommodating rich, complex empirical data. The development of such a framework is the primary purpose of this study. The framework to be developed herein is intended to have a strong theoretical and empirical foundation. (See Section 1D2 for an overview of the

*The recent work of Dolenga (1972) on postal reform and reorganization is a heartening step in the direction of remedying many of these data base problems.

contemplated conceptual framework for analysis.)

The need for conceptual frameworks for studying policy formation phenomena has been clearly recognized and intensively urged by students of policy. Indeed the absence of any comprehensive framework has been noted as an important reason for the failure of most contemporary writing on policy formation to penetrate beyond technicalities into basic features. (2)

To serious students of public policy processes, it seems to be patently obvious that most of the problems which plague the U.S. government today cannot be usefully encompassed within any conceptual framework which is not broad enough and flexible enough to deal with intra-organizational, and environmental variables. Increasingly, viable policy formation necessitates transcending the narrow confines of individual organizations and individual disciplines. Indeed, the very historical persistence of many long-standing problems seems to be rooted in past attempts to "solve" them within closed, narrow formulations.

1B3. The Empirical Justification. Very little empirical work has been done at the level of strategic decision-making within the context of policy formulation processes. Most of the sparse contributions to date have been limited to partial, self-serving, descriptive narratives written by involved "insiders", and to the somewhat sterile written public record (e.g., transcripts of Congressional Hearings). Neither of these sources has added much scholarly insight into the relationships among the complex and dynamic forces which mold these critical processes. A higher level of understanding of these forces is a pre-requisite to viable attempts to improve the process.

1B4. The Theoretical Justification. From a theoretical perspective, and considering policy formation relevance, two main weaknesses of organization theory literature and research are of concern here. These are; first, the tendency toward micro-level research and reductionism; and, secondly, the lack of attention to political variables. Katz and Kahn⁽³⁾ and Mouzelis⁽⁴⁾ have independently noted two competing historical approaches to research and theory building. The first is a "bottom-up" approach which predominately focuses on the individual (or small group) as the unit of analysis. The second is the "top-down" approach which attempts to deal with broad societal level variables. What both of these approaches have not dealt with adequately is that immensely important intermediate level of human activity, the formal organization (and its interaction with the environment and the individual and group levels of analysis). Katz and Kahn and Mouzelis have noted some encouraging signs of a potential convergence of these two previously distinct streams of activity, and they suggest that the area of intersection may rather fortuitously turn out to be the formal organization. All such efforts aimed at convergence are commendable. However, perhaps the optimism of Katz and Kahn and Mouzelis will prove to be misplaced if the matter is left to chance or to the slow process of evolution.

This pessimism springs, in part, from a recognition of the urgent need to move to even a higher unit of analysis than the formal organization; i.e., to the inter-organizational or system level. Success in escalating from the individual and small group level to the level of the organization has not been encouraging. Although there have been a number of works that purport to make such a great leap forward, on closer

examination, these largely turn out to be treatises on the social-psychology of the individual actor (decisionmaker) albeit in an organizational setting.⁽⁵⁾

As Zald⁽⁶⁾ has noted:

"Most of the organizational theory literature is primarily focused on the socially microscopic phenomena individual, small groups, inter-personal relations, etc., the larger phenomena have been taken as aggregates of microscopic or as environmental factors that interact with the microscopic. What is neglected albeit not entirely abandoned are more macroscopic things within which the individual behavior take place."

Similar criticisms of the discipline of political science may be found in the recent work of Morton Kaplan⁽⁷⁾ and Heinz Eulau⁽⁸⁾. Likewise, Etzioni has convincingly argued that the empirical study of macro systems remains neglected in sociology, in organization theory, and is badly handled in political science.⁽⁹⁾

A major barrier which seems to account for the extremely slow expansion in the level of analysis in these disciplines is the notion of the building block approach to research and theory-building. This extremely conservative orientation suggests that, as Mouzelis⁽¹⁰⁾ has noted:

". . . one should not venture to study such larger social systems as whole societies or organizations before enough building blocks, enough solid knowledge has been accumulated about less inclusive and complex systems. Of course, when one takes into consideration the multiplicity of levels of analysis and the irreducibility of the higher to the lower, one sees the absurdity of such a strategy and the unnecessary restrictions that it imposes on social research." (p. 173)

This research is an attempt to loosen the rigid constraints of the micro-reductionist, deductive model. It argues for the need to expand the unit

of analysis, not only to the intermediate level of the formal organization, but even beyond that to the inter-organizational and systems level.

Thus, while fully recognizing the limitations of many existing conceptual tools, this type of study attempts to broaden the horizons of organization theory. In particular, work such as the new volume by Tuite, Chisholm, and Radnor⁽¹¹⁾ seems to be a first step in the right direction. Tuite, et al., have clearly recognized that:

"Regardless of discipline, the authors, as they attempt to grapple with significant policy issues, find that the problems with which they must deal transcend the domain of any one organization. Many of our problems are now inter-system problems. This does not mean that all intra-system issues have been solved, but it does represent a shift of focus." (p. 217)

This shift in focus is critically needed. Despite the recent proliferation of research and writing with an environmental and ecological orientation,⁽¹²⁾ much of this environmental literature is still limited in the sense that it deals with the interaction of a specific organizational sub-unit, or with a specific organization, and its proximate environment. The critical dimension of inter-organizational decision-making variables remains virtually ignored in the literature.⁽¹³⁾

1B4-1. Policy Studies. In addition to this general lack of treatment of inter-organizational variables, there are practically no behaviorally oriented empirical studies of macro level policy formation processes in the public sector. Such work as has been done to date has generally been limited to business organizations, with some recent extensions to the health and education institutional settings. Generally, the approach used in these studies has been limited to non-strategic managerial sub-decisions, ignoring the more encompassing, and at least potentially more

significant, policy level decisions. Even the much heralded, A Behavioral Theory of the Firm,⁽¹⁴⁾ could not legitimately be classified as a study of policy formation within the business firm, because it focuses largely on a very selective sub-set of intra-firm decisions. Furthermore, as of this date, this Cyert and March model lacks any comprehensive empirical testing.

1B4-2. Political Variables. The sparse organization theory literature relating to organizations as decision systems is virtually devoid of any systematic treatment of political variables. (For an extensive treatment of the concept of the potential influence of such political variables, see Chapter Five which deals with political feasibility and consensus building.) To the extent that this important dimension is recognized by major organization theorists, it is treated as a micro-level phenomenon operative at the level of the individual member or at the level of the small group. Such is the case with the March and Simon treatment of the individual member's decision to join or leave the organization,⁽¹⁵⁾ and with the Cyert and March narrow treatment of organizational coalitions.⁽¹⁶⁾ Despite the fact that some few theorists in both the management and public administration fields have given lip service to the existence and importance of political variables,⁽¹⁷⁾ it is very difficult to find any systematic theoretical or empirical treatment of this dimension in a policy formation context.

1B5. Other Factors Supporting the Need for Policy Research. In addition to the basic rationale discussed above concerning too strong a tendency to focus on micro research through reductionism, and the lack of attention

to political variables, two subsidiary factors, taken together, constitute additional support of the need for empirically-based research on policy formation processes. These two factors are discussed below:

1) Policy strategies as a focus of empirical investigation are nearly ignored in organization theory research. The author was unable to identify any empirical research focused explicitly on policy strategies in the broad sense of the term, (i.e., analyzing policies in terms of their implicit or explicit strategies). The need for such research was recognized by Dror's observation that, "What is urgently needed is intensive study and research which will permit elaboration of various strategies in terms of applicability, effectiveness, and efficiency under different conditions".⁽¹⁸⁾ This study is an initial step in the direction partially fulfilling that need.

2) Harold Wilensky,⁽¹⁹⁾ Miller,⁽²⁰⁾ and Evans,⁽²¹⁾ have all stressed the critical importance of the "boundary issue", arguing that this is the point where most bridging assistance of scientific contribution is needed. In governmental macro systems, the "boundary personnel" are individual high-level policymakers who may have a critical impact on policy formation. The actual and potential role of these high-level policymakers is very neglected in organization theory research. This is in part due to difficulties of access, on the one hand, and to an over reliance on research methods which are not useful in dealing with such phenomena on the other hand. A failure to deal systematically with the potentially crucial role of such top-level policymakers has precluded utilization of valuable sources of knowledge such as the experience and intuition of these important practitioners. Because of its intended focus on the

strategic level policy formation system, this study will, hopefully, provide some additional insight into this relatively unexplored field.

1C. Research Objectives and Intended Outputs

Intellectually this research is based on theoretical work aimed at developing a conceptual framework for the behavioral study of policy formation processes in very complex policy systems. Empirically, this study is based on extensive field work which provided the data for preparation of a comprehensive case study (composed of several major sub-decisions) of the policy formation process regarding postal reform and reorganization. Through secondary analysis of the case study prepared by Dolenga, (22) the framework developed herein is subjected to initial and preliminary testing.

1C1. General Objectives. The general objectives for this study rest, of course, on the intellectual and empirical bases cited above. The main objective of this research is the development and initial testing (through secondary analysis) of a conceptual framework for analysis which is intended to assist both the policy analyst and the policy researcher in their empirical investigations into policy phenomena. This framework is meant to facilitate understanding of the policy formation process by focusing attention on the basic forces shaping the main features of policy formation as a dynamic social-political-organizational process. Once developed, the framework is initially tested through application to a recently recorded analytical case study of a broad, complex, strategic level policy formation process. The case study chosen for this purpose represents a rich mix of strategic, analytical, and political variables. It traces the

operation of the policy formation process which ultimately resulted in a major reorganization of the United States postal system. Through application of the framework, the Postal Reform Case is analyzed, with particular emphasis on the strategic aspects of the policy formation process.

1C2. Specific Intended Outputs. Stated more specifically, the intended outputs of this research will include:

1) The development of a conceptual framework for the behavioral study of policy formation processes in general. (See Section 1D2 below for an overview of the nature and purposes of the framework to be developed.)

2) A selective analysis of major strategic issues in the case study, made primarily through application of the conceptual framework for analysis. This selective analysis will focus on an examination of the policy formation process in terms of its implicit and explicit strategies. The primary purpose of this analysis is to test the viability of the conceptual framework as an heuristic aid to policy analysis and policy research. A secondary objective will be an attempt to identify the essential conditions under which policymakers may tend to choose a strategy of radical, vice incremental change.

1D. Methodology

This section will discuss the overall study design and will provide an overview of the conceptual framework and its intended application.

1D1. Overall Study Design. As already noted, this study consists of two main parts; the theoretical development of a conceptual framework for policy analysis, and the initial testing of that framework through

application to a recently recorded analytical case study of a broad, complex, strategic-level policy formation process.

Development of the conceptual framework represents a theoretical contribution to both the literature and methodology of policy formation studies. The empirical contribution has two components. First, the author actively participated in an extensive schedule of field interviewing conducted by Dolenga.* These field interviews, most of which were conducted in Washington, D.C., provided the basic data base from which Dolenga prepared his analytical case study of the postal reform and reorganization policy formation process. (23) The interview instruments and most of the interviews themselves were a joint venture between Fuchs and Dolenga, an arrangement approved by Dr. Michael Radnor who served as the Dissertation Adviser for both individuals.

Secondly, through secondary analysis of Dolenga's case study, the utility of the conceptual framework for analysis will be tested. That is, its value in facilitating understanding of the policy processes contained in the postal reform/reorganization case study will be determined through application to a data base which reflects empirical reality. The objective of the secondary analysis will not be to provide a complete analysis of the postal case as a discrete policy formation situation. Rather, the objective will be to examine key strategic dimensions (as suggested by the conceptual framework) as a means of gaining

*Dolenga was a fellow doctoral candidate who shared the author's long-term interest in policy formation processes. In many respects, Dolenga's work stands as a valuable complement to this study. Therefore, the serious reader is strongly urged to read both dissertations in order to obtain a more comprehensive theoretical and empirical understanding of policy formation reality.

insight into the policy processes operative in the postal case. Therefore, the degree of detail will be kept to the minimum necessary to illuminate the main decisional issues involved in the case.

In summary, this study will have identifiable theoretical and empirical components which will be integrated in the development and preliminary testing of a behaviorally oriented conceptual framework for the general analysis of policy formation processes. As previously noted, some aspects of the empirical part of the study were jointly conducted with Dolenga, who, in turn, made significant contributions to the theoretical development of the framework.

1D2. An Overview of the Conceptual Framework for Analysis. The sections which follow will provide an overview of the main characteristics of the conceptual framework for analysis. The following topics will be addressed: 1) underlying assumptions; 2) conceptual frameworks as instruments for theory building and research; 3) delimitation of the framework; 4) basic framework design; 5) potential uses; 6) methodological considerations; 7) limitations; and 8) application of the framework.

1D2-1. Underlying Assumptions. It is extremely important that the conceptual framework be viewed synoptically and that its heuristic nature not be erroneously transformed into algorithms never intended. Both prior organizational experience and this research experience have generated a profound respect for the complexity of policy formation as a process. Therefore, there is no intent to imply that this framework is capable of explaining all aspects of that complexity. However, this conceptual framework does offer to both the policy analyst and to the policy researcher a very useful heuristic aid, insofar as it focuses attention on

important aspects of the policy process and suggests useful avenues along which to pursue policy research. Understood and applied as an integrated package, the framework should yield insight and understanding about some very vital aspects of policy formation--a process presently shrouded in myth and misunderstanding.

In addition to the foregoing caveat, it should be explicitly recognized that this work rests on the premise that the application and utilization of a systematic, analytical approach, which accommodates important extra-rational factors, may lead to improved understanding of policy formation. Furthermore, careful extension of such an approach offers the potential for making important, but deliberate and limited advances in the quality of policy formation. This study is primarily concerned with description and analysis as aids to understanding. However, implicit in this quest for understanding is the (as yet untested) belief that the generation of meaningful descriptive theories of policy formation is a pre-requisite to serious advancement in prescriptive theories.

Thus, it should be made clear that despite an underlying concern on the part of the author for the quality of policy formation, that concern lies well beyond the scope and intent of the present work. Therefore, an algorithmic acceptance of a simplistic notion about the existence of any direct or strong causal relationships between the quality of the process and the resultant policy outputs would be unwarranted. Indeed, the task of identifying and testing such causal relationships is in many respects beyond the present and foreseeable potential capacity of social science because of the fact that a policy outcome is usually determined not merely by the quality of the policy decisions taken

earlier (policy outputs⁽²⁴⁾), but also by other factors and subsequent events. Some of these could probably not have been anticipated, in advance, by policy actors in reaching their decisions. On the other hand, to the extent that major variables influencing a policy outcome could have been anticipated during policy formation, they become the legitimate concern of the relevant policy system and are properly included in any viable investigative framework for analysis.

1D2-2. Conceptual Frameworks In Theory and Research. Conceptual frameworks are, of course, not a new instrument for either theory building or for research. Useful frameworks have been developed and applied by Snyder, et al.,⁽²⁵⁾ Anthony,⁽²⁶⁾ Myerson and Banfield,⁽²⁷⁾ Olsen,⁽²⁸⁾ Holsti,⁽²⁹⁾ and others. However, it should be noted that most earlier efforts have been in the context of either international relations or business institutions. Even within these fields there has not been any significant advance since the appearance of seminal works such as those cited above. Furthermore, this author is unaware of any serious efforts to develop a comprehensive framework within the context of federal level public policy formation systems and certainly not one which specifically includes inter-organizational dimensions.

In addition to the above considerations, this framework is distinguished from others by its unique focus on the methodology of policy formation; namely, "policies on policies". Although the framework is intended to be applied, tested, and refined through application to discrete policy cases, its basic orientation is with policy systems themselves. Thus, application of the framework is aimed at developing a perspective for the analysis of policy-making processes in general, rather than at

the substantive analysis of particular policies.

The framework presented here as a major output of this study elaborates a network of conceptual tools which should assist the policy analyst and researcher in their empirical investigations into policy phenomena. The framework may be thought of as a focusing device which attempts to bring into clearer relief at least some of the main contours, characteristics, and dimensions of a complex policy terrain which is as yet uncharted in any systematic way. The intent here is to move in the direction of Banfield who characterizes a good conceptual scheme as one which tends to be logically complete or systematic and which will, therefore, direct attention to all relevant features of the situation under study. (30)

The primary contribution of this framework lies in its ability to suggest useful ways of looking at policy formation reality. It offers to the analyst and researcher a group of indicators which suggest where to look and what to look for when attempting to analyze and understand the mix of forces which energize, maintain, and direct operation of macro level policy systems. However, the framework is more than a checklist of important variables, because it moves well beyond mere identification of such variables. That is, the central value of the framework lies in its potential to highlight inter-connections, linkages, and relational patterns between and among important variables. The framework offers an integrated set of conceptual tools which can provide some counter-balance to the tendency of man to (as Simon has noted), at worst, ignore, and, at best, ineffectively deal with "the interrelatedness of all things." (31)

1D2-3. Delimitation of the Framework. The study of any social phenomena requires a selection from some phenomenological totality of only those of its concrete aspects which are most relevant to the problem under investigation. This selection process involves choices which serve to isolate a part of the social reality in order to reduce its overall complexity and permit observation and analysis. These choices also serve to determine the analytical or conceptual basis of the relevant theory. That is, decisions as to what is to be studied and why, operate so as to set theoretical boundaries, to discriminate between more relevant and less relevant properties, and to indicate what is going to be explained and what is going to be considered as given.

In the instant case, such selection choices and decisions about what would be studied and why, have inevitably impacted on the structure and context of this conceptual framework. Basic decisions about which of the myriad of variables affecting policy formation would be important (useful) enough to include in the framework were influenced by: (1) a very extensive review of the diverse literature which has contributed to the very partial and fragmented existing body of knowledge about policy processes; (2) broad personal experience in large operating organizations; and (3) preliminary investigation into the nature of the phenomenon under investigation. The results of such choices cannot be judged to be right or wrong, only to be more or less useful. Through elaboration and application of the framework, the degree of usefulness will become more evident.

1D2-4. Basic Design. The framework to be developed herein is grounded in

* See Vita, p.

a set of basic, policy-relevant concepts, including the concepts of; policy, policy strategies, policy feasibility, the scope and intensity of change, crisis, and search and evaluation processes. The main components of the framework include: alternative policy strategies, strategic decision issues, policy analysis, and policy feasibility. Within these components, specific emphasis is given to a diverse set of strategic, analytical, and extra-rational variables. In addition, political variables such as consensus building and maintenance, coalition formation, and the intentions, perceptions, leverage, and capacities of policy actors are integrated into the framework.

The framework is in no way intended to represent a process model and it would be erroneous to view it as such. Furthermore, the framework is not intended to reflect any attempt to model actual behavior of the policy actors or system. Instead, the objective, at this stage, is to present a set of variables thought to be useful dimensions along which to study and analyze the operation of a policy system, and to attempt to demonstrate (through application to case data) the heuristic value of focusing on this set of variables. The framework is a composite collection of process and system variables, along with other behavioral variables (such as ideologies, institutional awareness, etc.) which are difficult to categorize rigorously, and which are frequently ignored or only partially dealt with in the literature and in empirical research on policy processes.

1D2-5. Potential Use. The conceptual framework can be used behaviorally for selecting and ordering data and for describing, analyzing, and explaining policy formation phenomena. The framework also offers a potential

for normative or prescriptive use by suggesting possible avenues of improvements in the policy formation process. These two main uses of the framework are closely related in the sense that normative recommendations require a strong behavioral foundation. However, despite the existence of a potential for translating this behavioral framework into a normative one, that task is beyond the scope of this study which will concentrate on the descriptive, behavioral, and analytical uses of the framework, once it is developed.

1D2-6. Methodological Considerations. The heuristic nature of the framework and its intended use for policy analysis and for research on policy formation should be emphasized. The selection of variables and their categorization and degree of elaboration are all aimed at the central purpose of providing a conceptual framework which will be useful for studying the policy formation process. The objective was not to create elegant and aesthetically pleasant taxonomies nor to generate categorially extensive morphological analyses. No claim is being made that this framework contains categories of variables which are exhaustive and mutually exclusive. In this sense, it does not meet any rigid "scientific" definition of what an ideal framework ought to be. Instead, the objective here is to develop a framework which would be useful in providing a mechanism capable of highlighting interdependencies and linkages between and among clusters of variables.

Thus, the reader will not find here a completed and elegant taxonomy. Instead, the reader will find a tentative and preliminary framework which identifies and integrates in a logical and consistent manner, groups of important variables, examination of which will raise

the level of understanding of complex policy formation processes.

Formulation of the framework required an eclectic and dialectic approach to the literature and research findings of a variety of disciplines. This seems to be particularly appropriate for this research effort which is grounded in the discipline of organization theory. For, as Pugh⁽³²⁾ has noted, one major distinctive characteristic of organization theory is the fact that:

"Researchers are more aware of work in other fields, cross boundary interaction is more frequent, and therefore a wider range of analytical concepts is being used."

Since the systematic study of macro-level policy formation systems is essentially virgin territory, and because a framework such as that proposed here is non-existent elsewhere, this work borrows and adapts concepts and terminology from a variety of sources. In addition to the adaptation and refinement of existing concepts from disciplines such as organization behavior, political science, and economics, several new concepts are developed and introduced, especially in cases where existing conceptual tools were inadequate for present purposes. The reader who is acquainted with some seemingly familiar concepts from other disciplines is, therefore, cautioned to obtain a clear understanding of the intended meaning of such concepts and terminology as used in this framework.

1D2-7. Limitations. As is the case with most heuristic aids, there is a great danger that too much will be expected from the framework. Therefore, it is necessary to again emphasize its provisional and tentative character. This work is a beginning and not an end. This framework must

be subjected to continued alteration, elaboration, and refinement based on empirical research findings. Thus, the conceptual framework developed herein can provide no answers. It can only suggest potentially useful questions and potentially useful ways of looking for answers which will facilitate understanding of policy phenomena. The conceptual tools embeded in this framework for analysis cannot generate any prefabricated solutions to policy formation problems. Instead, they merely assist in preparing the ground for the adequate handling of such problems. Thus, the essential nature of the framework is heuristic rather than algorithmic.

The proposed conceptual framework suffers from the danger of all analytical approaches which involve breaking down of an overall Gestalt into component parts. It renders all too obvious the problems inherent in any attempt to hold in an interactive network the sometimes opposing forces of analysis and synthesis. Recognizing the critical necessity of maintaining a dynamic balance between the overall Gestalt of a policy system and the specific influence of individual variables, the framework attempts to focus attention on systematic movements back and forth between detailed analytical treatment and the recombination of different system components into a few main patterns of interaction.

Given the rather primitive state-of-the-art of the relevant methodology, and recognizing the severly limited body of knowledge which exists today about policy processes, valid questions might be raised as to whether attempts at development of a framework in this field are not premature. Given the earlier caution that this framework is but a first step towards the ultimate development of a rigorous and comprehensive

framework, this attempt is not considered to be premature, but somewhat overdue. Relevant here is James B. Conant's observation that development of a framework or conceptual scheme has often led to progress even though the framework turns out to be wrong.⁽³³⁾ Of course, any framework or paradigm of science can also stifle progress if it is developed, offered, and accepted with some dogmatic finality. Such an outcome of this important, but modest, work is neither intended nor likely. Nonetheless, despite the existence of a number of significant limitations and the modest aspirations of this effort, the development and application of the conceptual framework presented herein should facilitate progress, for as Robert Anthony⁽³⁴⁾ has noted:

"Isolated experience and discrete bits of knowledge are not very useful. When organized into some kind of pattern, however, the pieces often illuminate one another; the whole becomes greater than the sum of the parts. The very act of organization may show that the framework will have served a useful purpose if it prepares the way for a better one."

1D2-8. Application of the Framework. It cannot be said of the set of concepts which comprise the framework presented here that it is right or wrong. A more appropriate test would be whether or not it proves to be useful to those who attempt to do analysis and research on policy formation systems. Thus, the usefulness of this framework will be at least partially tested through application of it to secondary analysis of case data which describes the policy formation process which brought about a major reorganization of the U. S. postal system. It is hoped that even this preliminary testing will demonstrate both the theoretical soundness and the applied value of the framework as a sensitizer, a heuristic aid, and a set of guidelines to shape analysis and research

on the policy formation process. During the application and analysis stages, the emphasis will be on a search for some tentative main patterns of potential interconnections and mutual influences among the major variables and concepts comprising the framework.

1D2-9. Format. The conceptual framework for analysis is a comprehensive package consisting of several theoretical developmental analysis papers which constitute the next six chapters of this paper. These concept papers address those basic concepts which form the essential theoretical foundation underlying the policy formation process. The concepts treated include: 1) policy; 2) policy strategies; 3) the scope and intensity of change; 4) policy feasibility; 5) search and evaluation processes; and 6) crisis. These six concepts are not intended to be either mutually exclusive or exhaustive. Instead, taken together, they represent a core of interdependent, suggestive concepts hypothesized as being vital aspects of policy formation and thought to offer significant explanatory power insofar as the objectives of the present study.

Notes for Chapter One

- 1) Joseph L. Bower, "Descriptive Decision Theory From the Administrative Viewpoint", in Raymond A. Bauer and Kenneth J. Gergen (eds.), The Study of Policy Formation; Free Press, New York, 1968, p. 143.
- 2) Yehezkel Dror, "Strategies For Administrative Reform"; RAND Paper P-4382, The RAND Corp., Santa Monica, Calif., June 1970, p.3.
- 3) Daniel Katz and Robert L. Kahn, The Social Psychology of Organizations; John Wiley and Sons, Inc., New York, 1966.
- 4) Nicos P. Mouzelis, Organization and Bureaucracy - An Analysis of Modern Theories; Chicago, Aldine Publishing Co., 1967.
- 5) Leading examples include the following:
 - a) James G. March and Herbert A. Simon, Organizations; New York, John Wiley and Sons, Inc., 1958.
 - b) Victor A. Thompson, Organizations in Action; New York, McGraw Hill Book Co., 1967.
 - c) Fremont A. Shull, Jr., Andre L. Delbecq, and L. L. Cummings, Organizational Decision Making; New York, McGraw Hill Book Co., 1970.
 - d) Daniel Katz and Robert L. Kahn, op. cit.
 - e) Robert T. Golembiewski, "Small Groups and Large Organizations", in James G. March, Handbook of Organizations; Chicago, Rand McNally and Company, 1968, pp. 87-141.
- 6) Mayer N. Zald, A Case Study of Organizational Change - The Political Economy of the YMCA; Chicago, University of Chicago Press, 1970.

7) Morton A. Kaplan, Macropolitics; Chicago, Aldine Publishing Company, 1969.

8) Heinz Eulau, Micro-Macro Political Analysis-Accents of Inquiry; Chicago, Aldine Publishing Company, 1969.

9) Amitai Etzioni, The Active Society; New York, Free Press, 1968.

10) Nicos P. Mouzelis, op. cit., p. 173.

11) See Matthew F. Tuite, Roger K. Chisholm, and Michael Radnor (eds.), Interorganizational Decision Making; Chicago, Aldine Publishing Co., 1972, p. 217.

12) Representative works include, *inter alia*:

Paul R. Lawrence and Jay W. Lorsch, Organization and Environment; Homewood, Ill., Richard D. Irwin, Inc., 1967. Shirley Terreberry, "The Evolution of Organizational Environments"; Administrative Science Quarterly, 12, (1968), pp. 590-614. F. E. Emery and E. L. Trist, "The Casual Texture of Organizational Environments"; Human Relations, 18 (1965), pp. 21-32.

13) During the author's course work in the Doctoral Studies Program at Northwestern University a great body of organization theory literature was reviewed in an attempt to identify any significant items related to inter-organizational decision-making. The results were unsatisfactory, even as a basis for a short term paper.

14) Richard M. Cyert and James G. March, A Behavioral Theory of the Firm; Englewood Cliffs, N.J., Prentice Hall, Inc., 1963.

- 15) James G. March and Herbert A. Simon, op. cit., Chapter 4.
- 16) Richard M. Cyert and James G. March, op. cit., pp. 29-31.
- 17) In the management field, see, for example: David R. Hampton, Charles E. Summer, and Ross A. Webber, Organizational Behavior and the Practice of Management; Glenview, Ill., Scott, Foreman and Co., 1968, Chapter 7. In political science, see, for example: Felix A. Nigro, Modern Public Administration; New York, Harper and Row, 1970, Chapters 7-8.
- 18) Yehezkel Dror, op. cit., p. 25.
- 19) Harold L. Wilensky, Organizational Intelligence: Knowledge and Policy Government and Industry; New York, Basic Books, 1967.
- 20) James G. Miller, "Living Systems"; Behavioral Science, 16 (1971), pp. 302-398.
- 21) William M. Evans, "The Organization Set: Toward a Theory of Inter-organizational Relations"; in James D. Thompson (ed.), Organizational Design and Research; University of Pittsburgh Press, 1967, pp. 175-191.
- 22) Harold E. Dolenga, "An Analytical Case Study of the Policy Function Process; Postal Reform and Reorganization"; unpublished doctoral dissertation, Northwestern University, 1972.
- 23) Ibid.
- 24) On the distinction between "decisional output" and "policy outcome" see Austin Ranney (ed.), Political Science and Public Policy, Chicago, Markham, 1968, p. 8.

25) Richard C. Snyder, H. W. Bruck and Burton Sapin, Decision-making as an Approach to the Study of International Politics"; Princeton University, 1954.

26) Robert N. Anthony, Planning and Control Systems - A Framework for Analysis; Cambridge, Mass., Harvard University Press, 1965.

27) Martin Myerson and Edward C. Banfield, Politics, Planning and the Public Interest; New York, The Free Press, 1955.

28) Mancur Olsen, "An Analytical Framework for Social Reporting and Policy Analysis"; The Annals (of the American Academy of Political and Social Science), Vol. 387-389, March 1970, pp. 112-126.

29) Ikalevi, J. Holsti, International Politics: A Framework for Analysis; Englewood Cliff, N. J., Prentice Hall, Inc., 1967.

30) This definition was coined by Banfield in his review of Herbert Simon's Administrative Behavior. See Public Administration Review, Vol. 27, 4 (Autumn, 1957), pp. 278-285.

31) Herbert A. Simon, Administrative Behavior; New York, Free Press, (Second Edition), 1965, p. xxvi.

32) Derek S. Pugh, "Organizational Behavior: An Approach From Psychology"; Human Relations, Vol. 22, No. 4 (1969) pp. 345-354.

33) James B. Conant, On Understanding Science: An Historical Approach; New Haven, Yale University Press, 1947.

34) Robert N. Anthony, op. cit., p. viii.

Part II: Elaboration of the Conceptual Framework

Chapter Two: The Concept of Policy

Chapter Three: Policy Strategies

Chapter Four: Scope and Intensity of Policy Change

Chapter Five: The Concept of Policy Feasibility

Chapter Six: Search and Evaluation Processes

Chapter Seven: The Concept of Crisis

Chapter Two

The Concept of Policy

2A. Chapter Overview

The main purpose of this chapter is to formulate a working definition of the concept of "policy". This will be done by first reviewing existing attempts in the literature and then by synthesizing a composite definition having potential utility for the present study. After formulation of an appropriate definition, the components of discrete policies will be identified and three main dimensions for analyzing policy will be examined.

2B. Definition of Policy

Definitions are always arbitrary and are usually designed to suit the objective of the originator. At the same time, the value of a definition is largely determined by its isomorphism with the phenomena under investigation and by its theoretical and empirical utility. Moreover, definitions should be theoretically informed, since they acquire real meaning only in a specific theoretical context. Consequently, the general frame of reference for the study outlined here implies a certain definitive conception of "policy" which deserves explication. Before attempting this, however, we will take a brief look at the conceptualizations and definitions of "policy" contained in the existing literature.

A word of warning should be inserted here. An attempt to generate a viable definition of the term "policy" is an extremely difficult task involving many not yet resolved methodological and conceptual problems. Many distinguished scholars from a diversity of disciplines have tried to come to grips with this challenge without great success. Therefore,

any criticism herein of the work of others should be viewed as a constructive attempt to build on their earlier efforts.

The Dictionary of the Social Sciences⁽¹⁾ defines the term "policy" as ". . . a course of action, or intended course of action, conceived as deliberately adopted, after review of possible alternatives, and pursued, or intended to be pursued." This definition fails to differentiate between policy and decision, thereby implicitly suggesting that the two concepts are synonymous. Therefore, this definition has very limited validity for purposes of this study which (as we shall see) requires a clear distinction between the concepts of decision and policy.

Perhaps the best evidence that the policy dimension is generally ignored in organization theory literature is the fact that it was difficult to identify any scholars in this field, other than Katz and Kahn, who found the need to explicitly define the term policy. Furthermore, even they, as we will soon recognize, have defined "policy" very narrowly, for present purposes. Katz and Kahn⁽²⁾ tell us that:

"Organizational policies are abstractions or generalizations about organizational behavior at a level which involves the structure of organization. Policymaking is therefore an aspect of organizational change--the decision aspect." (p. 253)

This definition is problematic for several reasons. First, many policies are neither aimed at, nor require organizational change. Secondly, organizational change is in many (but not all) cases one effect of a change in policy, but is not necessarily a useful starting point for defining policy. Finally, an organizational decision to change the rules of decision-making (which are usually associated with the change in organizational processes) is an important aspect of policy-making

which is not treated by the Katz and Kahn definition.

The work of Dye and Sharkansky provide an illustrative example of the existing tendency in much of the policy literature and research to avoid (fully or partly) coming to grips with this difficult definitional problem. The utility of such work for purposes of this study is minimal, at best. For example, Thomas Dye ⁽³⁾ has modeled the policy-making process, but has failed to define or even to attempt to define "policy", evidently assuming that there already exists a general agreement as to its meaning. In one work, in just three short paragraphs, Dye uses terminology such as "public policy", "policy choices", "policy decisions", "public policy and output of political systems" and "policy outputs". Each of these terms presumably refers to a different aspect of "policy", but Dye offers no clear distinctions in this regard, and makes no differentiation between "policy" and "policy outcomes". ⁽⁴⁾

Other policy scholars such as Sharkansky, ⁽⁵⁾ for example, avoid coming to grips with the definitional problem completely by focusing almost exclusively on the analysis of governmental expenditures (mainly on the State level) rather than dealing with policy in a broad sense. Governmental expenditures are, of course, an important and legitimate subject for study. However, the budgetary process and the policy process are hardly synonomous. Beyond this, though, Sharkansky's work is undermined by the fact that after a relatively extensive criticism of the inadequacies of existing definitions, and after recognition of the need for the study of broad policy phenomena, he moves to an extended discussion of governmental expenditures without any attempt to justify explicitly his apparent assumption of isomorphism and analogue

between policy and expenditures. Such an approach, while useful for some purposes, does not contribute much to the conceptualization of broad level policy phenomena.

Rakoff and Schaefer,⁽⁶⁾ for methodological convenience, define policy as "action or non-action of the political system in response to demand." It is difficult to see that such a convenient, but narrow, definition does very much to illuminate the real complexity of the phenomena under investigation. Of course, the decision on "non-action", although often overlooked, is one among several important policy decisions. However, to dichotomize policy as a single choice between action and non-action will ensure, in advance, that the treatment of policy phenomena will be narrow and superficial with little penetration into the basic nature of the choices being made. Furthermore, such a definition would result in the classification of every convulsive reaction as "policy".

A more elegant and sophisticated definition was introduced by Lowi,⁽⁷⁾ who suggested a differentiation between "distributive" "redistributive" and "regulatory" policy types. Salisbury has pointed out that Lowi's distinctions are not only inapplicable in empirical research, but also are weak because one must rely on the judgment of individual actors as the final arbiters of the fine nuances that distinguish one from other. Ironically, in view of the severity of this criticism, we find that Salisbury himself utilizes the same distinction, in only slightly refurbished form, adding the category of "self-regulatory" policies.⁽⁸⁾ Nonetheless, Lowi's approach provides an advanced insight into this largely unexplored phenomena. However, the main problem with

his and Salisbury's approaches is that, while they really offer an important categorization of policy types, these are not really definitions of the term policy.

A more useful distinction between the concepts policies and decisions is provided by Forrester⁽⁹⁾ who advises:

"Policies and decisions are conceptually very distinct from one another although they are intermingled and confused in much of the management science literature. . ." Policies are those rules that guide decisions. The policy treats the general case and at least partly defines how specific decisions are to be made. Conversely, a decision takes the status and information of the system and processes it in accordance with the guiding policy to determine current action."(p. 430)

Dror,⁽¹⁰⁾ who is primarily concerned with public policy, suggests the following definition:

"Public policy is a very complex, dynamic process, whose various components make different contributions to it. It decides major guidelines for action, directed at the future, mainly by governmental organs. . . policy is direct output of policymaking."

Bauer, et al., define policy as "strategic moves that direct an organization's critical resources toward perceived opportunities in a changing environment."⁽¹¹⁾

Robinson, Ranney, and Van Dyke, all (with some minor variation) define policy as a goal, or set of goals or objectives, including the strategies to achieve them.⁽¹²⁾

Ackoff defines policy as "a rule for selecting a course of action; a decision rule."⁽¹³⁾

Each of these attempts at defining the term/concept "policy" is less than fully satisfactory, thus underscoring the inherent difficulties mentioned at the outset. Therefore, it is apparent that any effort to

define policy once and for all, and independently of a specific theoretical context, represents an exercise in futility. The only meaningful alternative is to define policy within a clearly specified theoretical framework. When this is done, the theoretical schema employed will indicate which parameters of the concept are likely to be most useful for specific purposes.

By applying such criteria to the work of Forrester, Dror, Bauer, et al., Robinson, Ranney, and Ackoff, we note the emergence of some common characteristics of policy, viz., major guidelines or rules; strategic moves; directed; future oriented; framework for discrete decisions. By synthesizing these major characteristics, we can create a composite definition which is richer and more useful for our purposes. Thus, for this study, "policy" will be defined as a set of major guidelines directed toward the future, pursued or intended to be pursued, which provide a framework for discrete decisions.

This definition emphasizes policy as a directive, conscious activity rather than a post-factum classification of system activity, recognizing that such activity may be the aggregative result of undirected side effects of systems transformation. Furthermore, this definition is flexible enough to accommodate what Eulau calls the "tension" arising out of the simultaneity of causal and purposive properties of policy.⁽¹⁴⁾ In addition, this approach highlights the strategic dimension of policy in the sense of providing a framework of guidelines and boundaries of the policy space within which discrete decisions are to be made. The third characteristic emphasizes the future orientation of policy in the sense of the planning mode.

The definition of "policy" suggested above is broad enough to include the main features of policy formation and yet, is operational enough to provide meaningful guidelines for research. It is broad enough because it may be applied to policies at different system levels and in different institutional contexts; and, because it deals with the major basic features of policy, i.e., overall goals, strategies, boundaries, time dimensions, etc. This definition is operational because it facilitates the analysis of policies by focusing scarce research resources on critical, identifiable policy features and it provides guidelines for building a more detailed conceptual framework as will be demonstrated later.

2C. Policy Components

The following five components of policy suggested by Austin Ranney⁽¹⁵⁾ appear to have heuristic value for research and analysis. Each discrete policy may be thought of as consisting of these five components:

- (a) A particular object(s) which is (are) intended to be affected.
- (b) A desired course of events which will bring about a particular sequence of behavior desired in the particular object(s).
- (c) A selected line of action to bring about desired course of events.
- (d) A declaration of intent by the policymakers as to what they intend to do and why.
- (e) An implementation of the intent.

Thus, it may be quite instructive to examine discrete policies in terms of these five components as a means of understanding the emergence of particular policies in specific contexts. Furthermore, this set of

components suggests a useful basis for comparative analysis.

2D. Three Main Dimensions for Analyzing Policy

In principle, the analysis of any policy can be made within the framework of the following three main dimensions:

- (a) The policy process⁽¹⁶⁾
- (b) The policy content⁽¹⁷⁾
- (c) The policy outcome⁽¹⁸⁾

The analysis of the policy process is mainly focused on the action and interaction over time of the forces and actors in the policy formation system that mold the policymaker's ultimate choice of a particular policy content; namely, the policy output. The analysis of policy content relates to all five of the previously mentioned policy components vis-a-vis a particular policy. A policy outcome is a term suggested by Easton to distinguish the consequences of a policy output from the output itself.⁽¹⁹⁾ Policy outcome includes the way or ways in which the course of events is in fact affected by the policymaker's choice behavior. Policy outcome is influenced not only by the policy alternative "chosen", but also by other antecedent factors and subsequent events, some of which could probably not have been anticipated by the policymaker at the time he was reaching his decision.

2E. Parameters of the Present Study

In terms of policy components mentioned above, this study is intended to deal with the first four of the five policy components mentioned above. Although the framework does not explicitly deal with the implementation stage of the policy formation process, it is strongly oriented toward implementation strategies, the analysis of implementation

capabilities, and the examination of organizational, political, and economic implications of alternative policies, because these factors are important and integral parts of the policy formation process.

Given the several dimensions for analyzing policy-making, and recognizing the richness and complexity of the phenomenon, any reasonable study of this type must emphasize certain dimensions rather than others. Because of the author's primary interest in policy strategies, the present study will be primarily focused on the operation and nature of policy processes. A uni-dimensional approach to the study of the policy phenomena will be avoided by focusing primarily on the policy process itself, with a concern for policy content to the extent necessary to illuminate the main decisional problems comprising the policy formation process and its dynamic operation over time.

Thus, the conceptual framework for analysis developed herein will deal with the policy formation process, in terms of the five policy components suggested by Ranney, but with a concern for the implementation component being a strategic one, emphasizing the planning mode.

2F. Chapter Summary

This chapter has developed a definition of the concept of policy as a set of major guidelines directed toward the future, pursued or intended to be pursued, which provide a framework for discrete decisions. This definition was offered as one which is both broad enough to include the main features of policy formation and yet operational enough to provide meaningful guidelines for analysis and research. Beyond this definition of policy, this chapter also identified five policy components: 1) affected objects; 2) desired course of events; 3) selected line of action;

4) declaration of intent; and 5) implementation of intent. In addition, three main dimensions for analyzing policy were identified: process, content, and outcome. Finally, the definitional explanation of the concept of policy was tied to the conceptual framework for analysis by indicating that the framework will be primarily oriented towards policy process (vice content or outcome) and that it will encompass all five of the previously identified policy components, but with a strategic and planning emphasis on the implementation component.

Notes For Chapter Two

- 1) Wilfried Harrison in Julius Gould and William L. Kolb (eds.), A Dictionary of the Social Sciences: New York, Free Press, 1964, p. 509.
- 2) Daniel Katz and Robert L. Kahn, The Social Psychology of Organizations; New York, John Wiley and Sons, Inc., 1966, p. 259.
- 3) Thomas R. Dye, Politics, Economics and the Public: Policy Outcomes in the American States: Chicago; Rand McNally, 1966 and in Sharkansky, The Politics of Taxing and Spending; Chicago, Rand McNally, 1968.
- 4) Thomas R. Dye, Ibid., pp. 7-11.
- 5) Ira Sharkansky, "Environment, Output and Impact Problems of Theory and Methods in the Analysis of Public Policy", a paper presented at the American Political Science Association Convention, Washington, D.C., September 2-7, 1968.
- 6) Stuart H. Rakoff and Guenther F. Schaefer; "Politics, Policy, and Political Science: Theoretical Alternatives," Politics and Society; Vol. I, Number 1, November, 1970, pp. 51-78.
- 7) Theodore J. Lowi "American Business Policy; Case Studies, and Political Theory," World Politics, 16, (July 1964), pp. 677-715.
- 8) Robert Salisbury, "The Analysis of Public Policy" in Austin Ranney (ed.), Political Science and Public Policy; Chicago, Markham Publishing Company, 1968, pp. 157 ff.

9) Jay W. Forrester, "A New Corporate Design", in Erich Janteh (ed.), Perspective of Planning; OECD Bellagio, Italy, 27 October - 2 November 1968.

10) Yehezkel Dror, Public Policy Reexamined; San Francisco, California, Chandler Publishing Company, 1968.

11) Raymond Bauer and Kenneth J. Gergen, The Study of Policy Formation; New York, Free Press, 1968, p. 2.

12) James A. Robinson, "The Major Problems of Political Science," in Lynton K. Caldwell, (ed.), Politics and Public Affairs; Bloomington, Indiana, Indiana University Press, p. 169.

Austin Ranney, "The Study of Policy Content; A Framework for Choice" pp. 6-9, in Austin Ranney, op. cit.

Vernon Van Dyke, "Process and Policy as Focal Concepts in Political Research"; in Austin Ranney, op. cit., pp. 27-30.

13) Russel Ackoff, "A Concept of Corporate Planning," Wiley Interscience, New York, 1970, p. 42.

14) Heinz Eulau, "Policy Making in American Cities; Comparisons in a Quasi-Longitudinal, Quasi-Experimental Design," New York, General Learning Press, 1971, p. 3.

15) Austin Ranney, "The Study of Policy Content: A Framework for Choice"; in Austin Ranney (ed.), Political Science and Public Policy; Chicago, Markham Publishing Company, 1968, p. 7.

16) Heinz Eulau, op. cit., suggests that as a process, policy is the collectivity's purposeful response to conditions of the relevant physical and

social environment.

17)For an extensive review of the problems related to the study of policy content, see Austin Ranney, op. cit.

18)Initial efforts to study policy outcomes in sub-sub policy issues have been mainly in the area of government expenditures, where the issue is susceptible to quantification. See Thomas R. Dye, op. cit., and Ira Sharkansky, Spending in American States; Chicago, Rand McNally, 1968.

19)David Easton, A Systems Analysis of Political Life; New York, John Wiley and Sons, 1965.

Chapter Three

Policy Strategies

3A. Chapter Overview

This chapter will explore the relevant strategy literature with the objective of formulating a policy-relevant definition of strategy, i.e., one which is useful for analysis of and research on the strategic choices facing policy makers. Several different sets of strategy types will be examined. In addition, the topic of strategy flexibility will be treated in a policy context. Finally, an attempt will be made to operationalize the concept of policy strategies by considering the objectives of strategy, in terms of five Strategic Decision Issues affecting the policy formation process.

3B. Definitions

The term strategy has a wide variety of meanings in the literature. The "theory-of-games" literature⁽¹⁾ defines strategy as a detailed set of planned responses to all possible contingencies. Here, the strategy is an explicit statement made by or about a player before the game begins. In this context, the strategy statement specifies exactly what action will be taken under every conceivable situation that might arise during the course of the game. In the absence of a precise and complete formulation of these contingencies and related responses, no mathematical algorithm can be applied. The policy strategies of concern here apply to situations so complex that such a complete specification of contingencies and response actions is impossible. Thus, there is little evidence that game theory, as presently developed, is a useful tool for solving strategic problems in a policy context.

The "theory-of-games" may be distinguished from "war games"⁽²⁾, as the latter is used in a military context. War games are based on simulation models, and although game theory is one type of simulation, its basic precepts are used only in minor ways in war gaming. Simulation games were first developed as war games and were then applied to business situations and to models of international relations.⁽³⁾ Presently, simulation is most widely used as a tool for teaching and research in the social sciences.⁽⁴⁾

In the international relations⁽⁵⁾ and defense⁽⁶⁾ literature, the concept of strategy refers to those fundamental policies and overall postures which are applied to the strategic analysis of main goals and principles for operations, which thus serve as a framework for tactics in military and foreign policy planning. Military planning emphasises the pre-eminent position of the objectives in the formulation of strategy or strategic plans. In military usage, the selection of objectives, within the guidelines of an "ultimate objective", is almost universally considered to be the most important aspect of strategic planning. The situation is quite similar in regard to foreign policy planning.

Sometimes a distinction is drawn between "strategy" and "grand strategy". However, for purposes of this study there is no reason to employ two separate categories. Therefore, in this context, the term strategy is intended to encompass both concepts. Thus, the term strategy will be used here in a "meta-policy" context(i.e., policies on how to make policies) as defined by Dror.⁽⁷⁾ This usage connotes a meaning close to that intended in the analysis of foreign relations and defense and military planning. More specifically, the term policy strategies,

as used in this study, means a "series of master policies, clearly distinct from detailed discrete policies, (though these two pure types are polar cases on one continuum with many in between cases) which establish the framework of guidelines and the boundaries of the policy space within which operational policies are to be established and decisions are to be made."⁽⁸⁾ (For a definition of the term policy, see Chapter 2.)

In view of the importance of strategies (implicit and explicit) as basic policy shaping forces, the dearth of empirical research focused explicitly on the strategy issue is quite surprising. A search of the relevant literature did not reveal any empirical research which attempted to analyze policies in terms of their implicit or explicit strategies or to identify the applicability and effectiveness of various policy strategies under different conditions. The present research effort should be viewed as a tentative, initial step in that direction. The conceptual framework for analysis is intended to serve as an heuristic guide for the conduct of such empirical research.

3C. Strategy Types

The topic of policy strategies is a relatively neglected one in the literature. To the extent it is addressed, it is usually dealt with only within a single or at most a narrow range of policy strategy types. In a policy context, strategy should not be thought of as a homogeneous concept. A monolithic assumption masks the existence of a variety of different types of strategies which afford strategic options to the policymaker. For policy purposes, it may be more useful to consider at least the following three distinct sets of strategy types:

--Identical vs. Mixed Strategies

--Comprehensive vs. Narrow Strategies

--Disequilibrium vs. Balanced Strategies

We will consider each of these main types separately, with no intention of designating any one type as "best". Rather, an effort will be made to show some of the implications and possible consequences of employing (or ignoring) any particular type.

3C1. Identical vs. Mixed Strategies. Some promising work aimed at broadening the range of policy strategies has been provided by Dror⁽⁹⁾ and by Etzioni.⁽¹⁰⁾ These authors have pointed out the potential value of employing mixed in lieu of identical strategies. They have suggested that even relative to single policy, two or more different strategies can be followed simultaneously or at different points in time. Such a course of action may serve to broaden and enrich the strategic choices facing the policy-maker. Explicit treatment of the question of to what extent different policy targets can/should be given different strategic treatment may thus generate an array of strategic options. Of course, the very question as to whether to employ identical strategies (e.g., a decision to proceed in a mode of radical change vis-s-vis various policy target areas) or to adopt a strategy mix (and if so, the nature of that mix) may itself be a critical strategic decision.

3C2. Comprehensive vs. Narrow Strategies. A second major set of strategy types is the comprehensive vs. narrow category. Under this set, the focus of attention is on the degree to which policy formation is focused on a broad range of policy components, as opposed to dealing

with only a few or even a single component. Treatment of the comprehensive vs. narrow strategic issue is especially important because it necessitates explicit examination of the widely accepted tacit theory that every "good" policy must be comprehensive in the sense of striving for synchronized change in multiple policy components.⁽¹¹⁾ This a priori assumption, which is reflected in most of the wisdom literature, is strongly reinforced by much of general systems theory⁽¹²⁾ and systems analysis⁽¹³⁾ writing. Such an approach neglects the possibility of achieving critical mass thresholds⁽¹⁴⁾ by means of focusing scarce policy formation resources (cognitive, economic, organizational, and political) on a few strategic controlling variables which, through application of a possible multiplier effect, may achieve a significant change in policy through a directed set of changes, each one of which, by itself, may be incremental. Thus, recognition of the existence of a multiplier phenomenon, and the identification of main policy controlling variables, may allow less costly changes in policy than would be possible by pursuing a uni-dimensional comprehensive strategy.

3C3. Disequilibrium vs. Balanced Strategies. The third major set of strategy types encompasses the balanced and the disequilibrium strategies. Disequilibrium strategies are costly and are, therefore, seldom used. They are effectively employed when the main aim is to shock a system into changing, as opposed to an attempt to carefully control the rate and direction of change in policy. When a strategic objective is the radical transformation of a system, creation of a shock effect, which first unbalances⁽¹⁶⁾ the system, may open it up for redesign or redirection. This may be a preferable strategy whenever a system is deemed to

be particularly rigid, or to be frozen with respect to change initiatives. However, it is a risky and usually an expensive approach.

The risky and expensive nature of disequilibrium strategies arises out of the sharply increased probability of unexpected (and often undesired) occurrences significantly beyond those already existing in every major policy. Minimizing the consequences of such unexpected events requires the existence of quite advanced monitoring mechanisms which in themselves are costly and complex. An added complication is the possibility that some unanticipated occurrence will result in goal displacement because of the tendency of a post-decision dissonance effect to adjust the image of desired consequences to match the actual outcome. (17)

Explicit consideration of the pros and cons of a disequilibrium versus a balanced strategy can be useful in two ways. First, by helping the policy actors to overcome any a priori preference for balanced change, which is strongly reinforced by biological analogies (18) of the organizational system, which may contribute to a conservative point of view. Secondly, by explicating the risks and costs of "shock-change", and by highlighting the need for risk reducing mechanisms, in situations in which a change in policy is approached from a radical change perspective.

What emerges from this brief discussion of strategy types is the realization that the policy-maker needs to formulate a "strategy of strategy types". This will provide a broad level framework which will facilitate the necessary, but difficult, trade-offs by encouraging explicit identification of possible alternative strategies, along with an assessment of their respective costs and benefits, implications, and consequences. Although there is little significant theoretical foundation for

such a strategy on strategy types, beyond the fragmentary evidence already cited, it seems likely that any such theory would have to be a contingency one which would allow both conceptual and pragmatic adaptation to particularistic policy situations.

3D. Strategy Flexibility

The degree of flexibility built into alternative strategies, and the resultant impact on policy formation, constitutes an additional focus of this study. Given that most macro level policy decisions are characterized by a relatively high degree of uncertainty, mechanisms for changing strategy in response to feedback and the capability to "hedge" against uncertainty through intentional strategy elasticity, (19) are extremely important but often overlooked components of a viable strategy. (20)

Under certain circumstances, a rigid strategy may be the most appropriate choice. For example, when a particular policy goal cannot be compromised, when time constraints are important, and when opposition is likely to be strong, a rigid strategy may preclude delay and dilution of policy formation efforts. However, experience and research suggest that the more serious problem is either an originally inflexible strategy, or one which becomes rigid over time in the absence of periodic reassessment, clearly defined contingency responses, and inherent elasticity. (21)

3E. Strategic Decision Issues

The mystique which permeates most discourses on the types of strategy contributes to the erroneous impression that strategy can be "made", "pursued", "implemented", etc., without regard for phenomenological or empirical referents. The very concept of strategy is an empty abstraction unless it is grounded in a clear delineation of the objectives of

strategy. Policymakers must make strategies about something. The set of "somethings" about which strategic decisions must be made constitute the core of the earlier definition of strategy as being, "a series of master policies. . ."

The conceptual framework identifies, topically, such a series of master policy issues. These are identified as "Strategic Decision Issues", meaning that they are high-leverage issues so fundamental to the process of policy formation, that strategic decisions about them will have a major impact on the ongoing substance and character of that ensuing policy process. In short, strategic decisions about these issues will energize and drive the policy formation process. Topically, the framework identifies the following Strategic Decision Issues:

- The Decision to Make a Decision
- The Scope and Intensity of Change
- Time Preferences
- System and Issue Boundary Delimitation
- Policy Instruments

Inclusion of these items in the framework was this author's decision, but it was, of course, influenced by early exposure to the work of Yehezkel Dror. The essential argument here is that an indispensable input to the policy formation process is a series of strategies (master policies) which address the above decision issues. Of course, these strategic choices may be either explicit or implicit, sophisticated or superficial, timely or late, etc.

The basic point is that the inherent logic of the policy formation process demands strategic responses along the above dimensions. At the

present time, neither academicians nor policymakers are capable of dealing meaningfully with the quality of such strategic responses from a prescriptive perspective. The much more modest goal of this study is to demonstrate descriptively; first, the importance of these basic decision issues; secondly, the need and opportunity for strategic choices regarding them; and, finally, some implications and consequences related to different strategic choices. To this end, each of the Strategic Decision Issues listed above is included in the framework and is elaborated on below.

3E1. The Decision to Make a Policy Decision. The strategic decision to make (or not to make) a policy decision on a discrete issue is perhaps the most important and the most difficult policy decision. It would be incorrect to state in any unqualified way that the greater the number of policy decisions made, the better. It is not self-evident that in every case a policy decision is either needed or desirable.

In many cases a policy decision on a value-laden issue may endanger essential consensus maintenance which is needed for system (nation, organization, etc.) survival. In such cases it may be preferable to decide "not to decide". Maintenance of basic consensus and essential coalitions depends on leaving some policy problems (and their underlying values) unexplicated so that a degree of ambiguity and simultaneous preference for contradictory values can serve to meet the requirements of consensus and agreement. An illustrative example of such a case may be the decision not to make a policy decision on the "separation between Religion and the State" in Israel.

Similarly when the results of present policies are perceived by the

policy actors, and the social strata on which they depend, in a manner which suggests that slow incremental change is sufficient for achieving an acceptable rate of improvement in policy results, there is no need for a policy decision. Yet it is clear that the decision not to decide is of equal significance as a policy output as is a positive decision to decide.

There are costs (economic, political, and organizational) connected with any attempt to make a policy decision. Some costs are relevant whether the attempt succeeds or fails. Indeed, the costs may be higher in the case of a failure. Such real costs and opportunity costs can have a direct affect on the decision as to whether or not to decide (to make a policy).

3E2. The Scope and Intensity of Change. This Strategic Decision Issue is concerned with the conditions under which key policy actors evidence (implicit or explicit) preferences for a particular change strategy, i.e., radical or incremental change. This particular phenomenon remains relatively unexplored in the literature. It is considered by this author to be of critical importance to the understanding and operation of the policy formation process. Because this Strategic Decision Issue is a central concern of this study, it is treated in detail in Chapter Four.

3E3. Time Preferences. The issue of target time, i.e., when the key policy actors wish the main results of a policy to be produced, is another important strategy dimension which may shape the overall policy formation process. Policy formation is by definition, a continuous process aimed at trying to shape the future. It includes both present decisions on

future action (especially in the "planning" mode⁽²²⁾ of policy formation), and decisions on the timing of policymaking itself, (i.e., what issues to defer for future decision).⁽²³⁾ Therefore, establishment of time preferences for comparing results located at different points in the time stream constitutes a significant dimension in policy formation, and, as such, is an important target for the behavioral study of policy processes. Of course, attention to the concepts of time and timing is not totally absent in the decision-making and social change literature. Indeed, such considerations are, for example, rather explicitly treated in classical sociological work by Weber⁽²⁴⁾ and Shackel.⁽²⁵⁾ However, the impact of time on the policy formation process is far from clearly understood. Thus, inclusion of this item in the framework is intended to foster analysis and research of such temporal considerations, in a policy context.

This strategy dimension suggests a close interrelation between strategies and analysis in the sense of the necessity for iteration and reconsideration of strategy decisions in light of detailed analysis. Thus, while an a priori desire of the actors may often favor fast results, a more detailed analysis of the issue under investigation may make it obvious that significant results can only be achieved in a longer time period. This is a strategic input which in some circumstances may lead to consequent reformulation of the time preferences. In other circumstances, external variables such as political feasibility or crisis may prescribe rigid time constraints and thus limit time availability.⁽²⁶⁾ Therefore, identification of the existence of such rigid time constraints may be essential for strategy consistency, because the scope of overall

policy goals must often be reduced because of non-elastic time preferences. And finally, an analysis of time preferences may help distinguish between the anticipatory and the crisis policy modes⁽²⁷⁾ of policy formation, topics which are treated in later discussions in this paper.

3E4. Systems and Issue Boundary Delimitation. The undefined, open, dynamic and value dominated characteristics of any policy formation issue requires strategic decisions regarding policy delimitation; namely, what are the boundaries within which the policy will be confined? In other words, what is the domain of institutions and issue areas which will be considered as an appropriate object of policy? Not a less important question involving the boundary issue is, within what domain did the actor look for relevant policy consequences?

Systems delimitation is one of the most important strategic decisions in every policy formation process and, as such, it shapes the whole policy space. We know very little about the variables which determine policy actors' decisions on systems delimitation. Two concepts existing in the literature are relevant here; the concept of the "definition of the situation", and the concept of "operational code".

"Definition of the situation" is a concept introduced by Snyder to indicate that a decision results from the manner in which policy-makers interpret the occasion for decision. Snyder has written, "The key to political action lies in the way decision makers as actors define their situation", that is, their "selection and evaluation of objects, events, symbols, conditions and other actors."⁽²⁸⁾ Harold and Margaret Sprout introduce a concept quite similar to "definition of the situation", called the "psycho-milieu". Their concept consists of the individual

decision-maker's "images or ideas derived from some sort of interaction between what he selectively receives from his milieu (via his sensory apparatus) and his scheme of values, conscious memories, and subconsciously stored experience."⁽²⁹⁾ The Sprouts distinguish between psycho-milieu from the "operational milieu" by noting that the latter is the environment relevant to the decision outcome as it is defined by observers rather than by decision makers.

The concept of "operational code" introduced by George⁽³⁰⁾ follows the distinction made by Brim, et. al.,⁽³¹⁾ between epistemological and instrumental beliefs. The "operational code" includes two main components 1) the actor's "instrumental beliefs", that is, "his beliefs about ends-means relationships in the context of political action"; and 2) the actors "philosophical beliefs, that is, "assumptions as premises he makes regarding the fundamental nature of politics, the nature of political conflict and the role of individuals in history." Both Snyder and Sprout recognize that it is not the milieu itself, but the policymaker's interpretation of that milieu that influences the nature of the decision.

George stresses the "instrumental beliefs"; namely, actors beliefs about ends-means relationships in policy. These conceptualizations are valuable and might provide important insight into policy process generally and decisions about system delimitation particularly, but their utilization here requires further refinement. Therefore, an additional dimension is suggested here. That is, the perception of the interrelatedness between the policy in question and other issues and systems held by the actors may be an additional important explanatory variable which needs to be subjected to empirical investigation, especially in a policy context.

The concept of systems delimitation is a dynamic one, with theoretical roots in the General Systems Theory literature. (32)

In a complex policy process the policy issue will be usually delimited in several stages and there is a necessity for iteration and reconsideration of these strategic decisions in light of detailed analysis and policy plans. Also, external variables (e.g., political feasibility) often establish rigid constraints on policy delimitation. Theoretically, the possibilities for formulating and delineating the policy issue range between two extremes (with many in between cases). On the one hand, the issue can be formulated narrowly, neglecting the interdependencies between various policy system variables. This may be convenient when considering slight incremental changes. However, when dealing with broad policy issues, a narrow restriction in policy boundary delineation may assure in advance that policy formation will be impaired, and it may also result in a tendency to overlook the basic characteristics of the system under investigation. Conditioned by the policy goals on one side, and determining the policy space within which policy instruments may be searched on the other side, the issue of systems delimitation is one of the most important strategy decisions facing policy-makers. Thus, it is included in the conceptual framework as one of the strategic Decision Issues requiring strategic choices by the policymaker.

3E5. Policy Instruments. The term "policy instruments" is used here in a very broad way, ranging from the mechanism of redundancy of analysis to using law or crisis as an instrument of policy. Usually, policy planning means adoption of a mix of policy instruments which, within given constraints, are perceived by the actors as an appropriate tool

to achieve policy goals. It is, therefore, in the selection of policy instruments and their manipulation (in the objective sense of the term, without any negative connotations) that strategies are transformed into policy plans and policy action.

The main strategic decision is, therefore, the most appropriate mix of instruments to choose. The preferable mix of policy instruments is, in the main, a function of the concrete circumstances of each particular policy situation. Specific policy needs, the availability of different resources, historic traditions, and indigenous political culture--these illustrate some of the unique variables which make impossible the existence of any universal strategies for selecting policy instruments.

One of the main potential contributions of analysis to policy formation is a broadening of the range of policy instruments by transforming factors which are regarded (for ideological, political, or organizational reasons) as being beyond consideration, into potential policy instruments. There is a close relationship between policy instrument examination and systems delimitation, in the sense that important feedback from policy instrument evaluation may show, for instance, the necessity to broaden policy boundaries so as to include an additional set of instruments within the domain of policy. On a much more pragmatic level, strategic decisions regarding policy instruments may include, among others: decisions on policy formation; systems configuration; monitoring mechanisms; modes for management of the analysis; designing and monitoring multiple advocacy; etc. In major policy systems, strategic decisions may be required regarding the use of the task-force device, educational campaigns, high level boards and commissions and other such

potentially costly but high leverage policy instruments.

Inclusion of this item in the conceptual framework is intended to focus analysis and research on the implications of strategic choices regarding the selection of various policy instruments to be employed at key points in the policy formation process. This topic is given only scant and fragmented attention in the voluminous literature reviewed during this study. This suggests the critical need for both stronger conceptualizations and serious empirical research. Some first policy-relevant steps in this direction have been taken by scholars such as Glaser,⁽³³⁾ who has studied the task-force device, and Popper⁽³⁴⁾, who has focused on the use of presidential commissions.

3F. Chapter Summary

In Chapter Three, we have reviewed the policy-relevant literature on strategy and have suggested a "meta-policy" definition of the term "policy strategies" as a series of master policies which serve as a framework of guidelines within which operational decisions are made. Moving beyond this definition, we identified the following three distinct sets of strategy types:

- Identical vs. Mixed Strategies
- Comprehensive vs. Narrow Strategies
- Disequilibrium vs. Balanced Strategies

The implications of usage of these various strategy types was explored. The very recognition of the existence of options as to strategy type was an important point made in this chapter. We saw that the policy-maker, in effect, needs to formulate a "strategy of strategy types"; one which allows and guides adaptation to particularistic policy situations.

The need for strategy flexibility was considered in view of the unstructured, high uncertainty, and dynamic character of the policy formation process. The need for flexibility in many cases was contrasted with the greater appropriateness of a more rigid strategy in situations where a particular policy goal cannot be compromised, time constraints are important, and opposition is likely to be strong. It was suggested that many policy strategies are either originally inflexible, or become rigid, over time, in the absence of periodic reassessment, clearly defined contingency responses, and inherent elasticity.

The final part of Chapter Three was devoted to operationalizing the concept of policy strategies by identification and examination of five strategic Decision Issues which energize and drive the policy formation process. The following five Strategic Decision Issues were identified for inclusion in the conceptual framework:

- The Decision to Make a Decision
- The Scope and Intensity of Change
- Time Preferences
- System and Issue Boundary Delimitation
- Policy Instruments

Through individual examination of each of the above Strategic Decision Issues, we saw that these are likely to be high leverage issues, early decisions about which may have significant and continuing consequences for the nature and direction of the ensuing policy formation process.

Notes for Chapter Three

- 1) See: 1) R. Duncan Luce and Howard Raiffa, Games and Decisions: Introduction and Critical Survey; New York, John Wiley and Sons, 1957. 2) Luce and Raiffa, Decision Analysis - Introductory Lectures on Choices Under Uncertainty; Addison Wesley, Reading, Mass., 1967; 3) J. D. Williams, The Compleat Strategist; New York, McGraw Hill, 1966.
- 2) Clayton J. Thomas, "Military Gaming" in Russell L. Ackoff (ed.) Progress in Operation Research; New York, John Wiley and Sons, 1961, p. 421ff. Also see, Sidney F. Griffin, The Crisis Game; Garden City, New York, Doubleday, 1965.
- 3) Harold Guetzkow, et. al., Simulation in International Relations; Englewood Cliffs, New Jersey, Prentice-Hall, 1963; and Harold Guetzkow, "Some Correspondence Between Simulations and Realities in International Relations," in M. Kaplan, (ed.), New Approaches to International Relations; New York, St. Martin's, 1968.
- 4) R. P. Abelson, "Simulation of Social Behavior", in G. Lindsey and A. Aronson, (eds), Handbook of Social Psychology; (Revised Edition), Reading, Mass., Addison Wesley, 1968.
- 5) Herman Kahn, On Escalation; New York, 1965. Thomas Schelling, The Strategy of Conflict; New York, Harper, 1960.
- 6) E. Quade (eds.), Analysis for Military Decision; Chicago, Rand McNally, 1969. Stephen Enke (eds.), Defense Management; Englewood Cliffs, New Jersey, Prentice-Hall, Inc., 1967.

7) Yehezkel Dror, "From Management Science to Policy Science", in M. Radnor, D. E. Tansik, M. White (eds.), Management Science in Government; Aldine, Chicago, 1972.

8) Dror, op. cit.

9) Dror, ibid.

10) Amitai Etzioni, "Mixed Scanning: A "Third" Approach to Decision Making"; Public Administration Review, Vol. 27 (1967), pp. 385-392.

11) Yehezkel Dror, "Comprehensive Planning: Common Fallacies Versus Preferred Features;" in F. Van Schlagen, (ed.), Essays in Honour of Professor Jac. P. Thijssse; The Hague, Mouton Co., 1967, pp. 85-99.

12) General Systems theory is represented in the following books:

- 1) Ludwig Von Bertalanffy, General Systems Theory: Foundations, Development Applications; New York, George Brasiller, 1968.
- 2) F. Kenneth Berrien, General and Social Systems; New Brunswick, N. J., Rutgers Univ. Press, 1968. 3) Walter F. Buckley, (ed.), Modern Systems Research for the Behavioral Scientists; Chicago, Aldine, 1968.

13) E. J. Quade and W. I. Baucher, (eds.), Systems Analysis and Policy Planning; Applications in Defense; New York, American Elsevier, 1968.

14) Yehezkel Dror, "A General Systems Approach to Uses of Behavioral Sciences for Better Policy-Making;" The Rand Corporation, (p. 4091), Santa Monica, Calif., May, 1969, p. 16.

15) Not used.

- 16) See, Garth N. Jones, "Strategies and Tactics of Planned Organizational Change", in Gerald Zaltman, Philip Kotler, and Ira Kaufman (eds.), Management of Social Change; New York, Holt, Rinehart, and Winston, Inc., 1971.
- 17) See, Leon Festinger, A Theory of Cognitive Dissonance; Evanston, Illinois, Row, Peterson, 1957. Also see, Conflict Decision on Dissonance; London, Tavistok, 1969.
- 18) James Miller, "Living Systems Basic Concepts," Behavioral Science, Vol. 10, July, 1965, pp. 193-237, and No. 4, October, 1965, pp. 337-391.
- 19) The concept of strategy flexibility in the context of military command is discussed in: E. Bennet, "Flexibility of Military Information Systems", in E. Bennet, J. Degan, and J. Spiegel (eds.), Military Information Systems; New York, Praeger, 1969, pp. 46-87.
- 20) Dan Horowitz, "Flexible Responsiveness and Military Strategy: The Case of the Israeli Army"; Policy Sciences, Vol. 1, Number 2, Summer 1970, pp. 191-205.
- 21) The dangers of rigid fixation of strategies after they become outdated are well discussed in, Henry A. Kissinger, The Necessity for Choice Prospect of American Foreign Policy; New York, Anchor, 1962.
- 22) See, Hasan Ozbekhan, "Toward a General Theory of Planning"; in Jantsch, (ed.), Perspectives of Planning; Paris, OECD, 1969. Also see, Erick Jantsch, "From Forecasting and Planning to Policy Sciences"; Policy Sciences, Vol. 1, No. 1, Spring 1970.

23) For this distinction, see, Yehezkel Dror, "A Policy Sciences View of Future Studies: Alternative Futures and Present Action"; RAND paper, p. 4305, Santa Monica, California, February, 1970.

24) Max Weber, Basic Concepts in Sociology; (Translated and with an introduction by H. P. Seeker), New York, Philosophical Library, 1962.

25) George L. Shackle, Decision, Order, and Time in Human Affairs; Cambridge, Cambridge University Press, 1969.

26) Recent research of this kind is reported by James A. Robinson, Charles F. Kermann, and Margaret F. Hermann, "Search Under Crisis in Political Gaming and Simulation"; in Theory and Research on the Causes of War, Dean G. Pruitt and Richard Snyder (eds.), Englewood Cliffs, New Jersey, Prentice-Hall, Inc., 1969.

27) Rogers Hilsman, "The Foreign Policy Consensus: An Interim Research Report", Journal of Conflict Resolution, Vol. 13, No. 4, December, 1959, pp. 361-382.

28) R. C. Snyder, "A Decision-Making Approach to the Study of Political Phenomena", in R. Young (ed.), Approaches to the Study of Politics; Evanston, Ill., Northwestern University Press, 1958, p. 17.

29) Harold Sprout and Margaret Sprout, The Ecological Perspective of Human Affairs; Princeton, N. J., Princeton University Press, 1965, p. 46.

30) Alexander L. George, "The "Operational Code": A Neglected Approach to the Study of Political Leaders and Decision-Making"; International Studies Quarterly, Vol. 13, Number 2, (June 1969), p. 199.

31) O. G. Brim, D. C. Glass, D. E. Lavin, and G. Goodman, Personality and Decision Process: Studies in the Psychology of Thinking; Stanford; Stanford University Press, 1962.

32) See, for example the General Systems Theory sourcebook by Walter F. Buckley, op. cit.

33) Nathan Glaser, "On Task Forcing"; The Public Interest, No. 15, Spring, 1969, pp. 40-48.

34) Frank Popper, "The President's Commissions", The Twentieth Century Fund, New York, 1970.

Chapter Four

Scope and Intensity of Policy Change

4A. Chapter Overview

As noted in Chapter Three (Section 3E2), one of the five Strategic Decision Issues included in the conceptual framework for analysis is the scope and intensity of policy change. This vital dimension is concerned with the conditions under which key policy actors evidence (implicit or explicit) preferences for a particular change strategy, i.e., radical or incremental change. This particular phenomenon remains relatively unexplored in the literature. Because this study is concerned with the strategic dimension of policy formation processes, it is felt that this topic is deserving of further development. This conviction is based upon a presumption that explicit or implicit strategic choices regarding the scope and intensity of change can influence both the nature and output of policy formation processes.

More specifically, this chapter will deal with a number of definitional issues (including: the scope and intensity of change; radical vs. incremental change, means/ends influences, etc.). However, the central purpose of Chapter Four is to review the theoretical foundations of the incremental vs. radical change debate and to critically analyze the leading change models; including, Lindblom's "incrementalism" and Etzioni's "mixed-scanning" model. In particular, this critique will focus on the degree to which theoretical and empirical work to date has identified the conditions under which policymakers' may choose a radical vice incremental policy change strategy.

4B. Definitional Issues

A policy-relevant discussion of the strategic options available (and their implications for policy formation) is hampered by a lack of suitable concepts and terms. This necessitates first dealing with a number of basic definitional issues so as to provide some commonly understood frame of reference. Therefore, in this section we will attempt to provide at least a working definition of concepts and terms such as: scope and intensity of change; radical vs. incremental change; means and ends aspects of change strategies; and, risk-taking behavior as a variable influencing change strategy preferences.

4B1. Scope and Intensity of Change. By scope of change is meant the degree of comprehensiveness of change in terms of systems components and policy issues to be dealt with. By intensity of change, is meant the degree of reorientation in policy and the time span in which the desired policy output is to be attained. Thus, a given policy change may be effected through small incremental changes of a few systems components over a long period of time, or through comprehensive and rapid system redesign or nova-design.

4B2. Radical vs. Incremental Change. From a strategic policy formation perspective, the degree of the scope and the intensity of a policy change will be conceptualized as lying along a continuum of possible states, bounded by "radical" and "incremental" as polar cases. Because these are relativistic terms, it is extremely difficult to precisely define either radical or incremental change. The same change in policy may be either radical or incremental in different systems or in the same

system at different times.

Radical change suggests directive and systemic change of main systems or policy critical variables, it will usually be broad, fundamental, intense and innovative in the sense of system reorientation and redesign or even nova-design. This suggests four main characteristics of radical change: comprehensiveness; intensiveness; innovativeness; and criticality. This definition recognizes the existence of a continuum between incremental and radical change. The exact borderline between these two depends on one's perception of what are the systems critical variables and what constitutes an innovation.

These terms are no easier to define for research purposes but some useful attempts have been made in recent literature. Lin and Zaltman, for example, suggest that an innovation is ". . . any idea, practice or material artifact perceived to be new by the relevant unit of adoption." (1) Rogers and Shoemaker utilize a similar definition which suggests that innovation is an idea perceived as new by the actors involved. (2)

In the absence of any absolute, objective standards as to what constitutes radical or incremental change, this study will follow the general and flexible definitions utilized by Walker and Wilson in regard to a similar research problem. In research on the diffusion of innovation among American States, Walker⁽³⁾ defines innovation:

". . . simply as a program or policy which is new to the organization adopting it, no matter how old the program or policy may be or how many other organizations may have adopted it."

Wilson⁽⁴⁾ utilized a similar approach by suggesting that:

"What is "fundamental" and "significant" cannot be given a precise *a priori* definition, for in our scheme, the meaning of these terms can only be determined by the organizations themselves. Each organization, we assume, can rank proposed (or actual) changes in terms of how "radical" they will be (or are)."

Following the above approaches, the degree of the scope and the intensity of a policy change will be considered as that point on a radical-incremental continuum perceived by the main actors and knowledgeable observers in a given policy area.

4B3. Strategic Choices: Means and Ends. Any discussion of strategic options affecting policy actors' preferences regarding change strategies should draw a clear distinction between means and ends. It should be noted that the concepts of scope and intensity of a change in policy apply both to the intended policy outcome (i. e., the intended change in the before and after states of the system) as well as to the means of accomplishing that intended objective. In terms of policy strategies, strategic choices are necessary regarding both means and ends. Furthermore, it is important to realize that there is a strong interdependency between means and ends vis-a-vis radical versus incremental policy changes. It is quite easy to focus (erroneously) on only one aspect of this dual nature of the concept of scope and intensity of change. The reader is cautioned to avoid this tendency and to bear in mind both this dual nature and the close interdependency between means and ends.

4B4. Risk-Taking Behavior. It is being suggested here that the strategic choices necessary to define either a radical or an incremental approach to a policy change are greatly influenced by the degree of risk acceptable to the main policy actors. Risk-taking behavior⁽⁵⁾ is manifested because

the policymaker explicitly or implicitly expresses either a readiness to accept the higher degree of risk normally associated with more radical change, or a preference for the lower degree of risk usually associated with incremental change. In game-theory terminology, the choice is between "minimax" behavior on the one hand or "maximin" behavior on the other hand. (6)

4C. Theoretical Foundations of the Incremental Change Strategy

The basic rationale underlying incrementalism as formulated by Charles Lindblom⁽⁷⁾ is that the more an alternative deviates from past policies, the higher are its unpredictable consequences. Therefore, it becomes more difficult to recruit support for it; that is, it has a low degree of political feasibility. Since radical changes in policy have a high probability of generating unexpected and undesirable consequences (and therefore, a low degree of policy feasibility) Lindblom recommends that policy formation be limited to marginal changes. In other words, the basic strategy of incremental change is one of maximizing security in making change.

4C1. Lindblom's Model of Incremental Change. The leading proponent of the incremental change model has been Charles Lindblom. The intellectual justification of "disjointed incrementalism", advanced by Lindblom and others,⁽⁸⁾ grows out of the need to adopt policy formation strategies to the limited cognitive capacities of the decisionmakers, and to reduce the scope and cost of information collection and of computation.

Lindblom has summarized the essence of his model in terms of the following six propositions: (9)

1) Rather than attempting a comprehensive survey and evaluation of all alternatives, the decision maker focuses only on those policies which differ incrementally from existing policies.

2) Only a relatively small number of policy alternatives are considered.

3) For each policy alternative only a restricted number of "important" consequences are evaluated.

4) The problem confronting the policymaker is continually redefined. Incrementalism allows for countless ends-means and means-ends adjustments, which, in effect, make the problem more manageable.

5) Thus, there is no one decision or "right" solution but a "never ending series of attacks" on the issues at hand through limited analysis and evaluation.

6) As such, the resultant decision-making is described as remedial, geared more to the alleviation of present, concrete social imperfections than to the promotion of future goals.

4C2. Ideological Assumptions of the Incremental Strategy. It is desirable to place Lindblom's propositions about "partisan mutual adjustment"⁽¹⁰⁾ in their proper perspective. Therefore, it is necessary to keep in mind that his model is directed at the American political system as a whole. Thus, for understanding of his main thesis, it is essential to take into consideration those ideologies, belief patterns, and socio-economic conditions which implicitly or explicitly underlie the incremental strategy.⁽¹¹⁾ Beyond a model and strategy of decision-making, "disjointed incrementalism" also posits a model of societal structure based on processes more characteristic of pluralistic societies than of

more directed societies. Influenced by the free competition model of the economists, Lindblom replaced the economists "invisible hand" with "partisan mutual adjustment", thus rejecting the notion that policies can be guided from the central institutions of society. Policies are instead presumed to be fashioned by "partisan mutual adjustment", that is, by bargaining among numerous societal "partisans". Therefore, the measure of a "good" policy becomes the degree of agreement about it among the decision makers.

The logic of "partisan mutual adjustment" implies not merely automaticity and inevitability of coordination; it also suggests that the policy choice that emerges will be about as good as can be obtained, given the complexity of the issue and the variety of interests activated by the various alternatives. Thus, incremental decision-making is claimed to be both a realistic account of how the American polity (and other Western democracies) decides, and also a normative statement of the most effective approach to societal policy formation. In this sense, it presumes to be both a descriptive and normative model simultaneously.

4C3. Criticisms of the Incremental Approach as a Normative Model. There are numerous critics of the incremental model, and especially of its normative connotations. Nonetheless, there exists a general consensus that the main strength of the incremental model lies in its realistic description of decision and policy formation behavior. There is little doubt that policy formation usually proceeds (but not always) through incremental changes from past policies. There are a number of forces which operate so as to constrain policy formation in an incremental mold. These include the barriers which hinder and often prevent utilization

of a radical change strategy. These barriers, which are relatively well documented in the literature, include: 1) various defense mechanisms (such as risk avoidance through dealing mainly with short time periods); 2) the needs of coalition maintenance⁽¹²⁾ (which often are best served by some repression and ignorance of alternatives having explicit choices)⁽¹³⁾; 3) low aspiration levels which are satisfied by the results of incremental change and are not disturbed by large "performance gaps"⁽¹⁴⁾ and 4) a fixation on precedents and past experience, combined with a rigidity of the organizational cognitive set⁽¹⁵⁾ which is shaped partly by organizational interests and predispositions.

Incrementalism tends to neglect the forces of basic societal innovation by focusing on the short-run and by seeking no more than limited variation from past policies. It remains an open question whether or not a series of incremental changes can lead to a major shift in policy. For, as Etzioni⁽¹⁶⁾ has observed:

"While an accumulation of small steps could lead to a significant change, there is nothing in this approach to guide the accumulation; the steps may be circular--leading back to where they started, or dispersed--leading to many directions at once, but leading nowhere."

In a similar vein, Boulding comments that according to this approach, "we do stagger through history like a drunk putting one disjointed foot after another."⁽¹⁷⁾ In addition to questioning the possible lack of any systematic aggregation of a series of incremental steps, some authors see in the incremental model a strong conservative bias in terms of its impact on decisionmakers. As Dror has observed:⁽¹⁸⁾

"Although Lindblom's thesis includes a number of reservations, these are insufficient to alter its main impact as ideological reinforcement of the pro-inertia and anti-innovation forces."

Thus, the incremental model has been criticized for hindering or precluding major reform, innovation, and anticipatory or planned change.

4C4. Empirical Critique of the Incremental Model. In addition to the conceptual reservations just discussed, the incremental model is subject to a number of empirical criticisms. First, Lindblom clearly recognized that the incremental strategy does not apply to "large" or "fundamental" decisions,⁽¹⁹⁾ such as a declaration of war. However, he fails to recognize that while incremental decisions greatly outnumber fundamental ones, the latter's significance for societal policy formation is not commensurate with their small number. Therefore, it may be a mistake to relegate non-incremental decisions to the category of "exceptions". Moreover, it is often the case that fundamental (strategic) decisions set the context for numerous incremental ones which follow. Secondly, Lindblom limited the applicability of his model to "stable western societies", thus, failing to recognize the existence of "underdeveloped" and "unstable" segments within highly developed societies and even within one organization. Third, Lindblom's suggestion that "agreement" on a policy equates to high quality may be quite specious when one recognizes that frequently competitors are unevenly matched; have, through collusion, divided up the market; engage in unfair competition; squeeze-out or buy-off weaker competitors; etc.⁽²⁰⁾ Thus, the "agreement" which results from bargaining may be very one-sided, because, as Rowen has observed:⁽²¹⁾

"There are not only wide differences in the bargaining power of the firms (actors), but this bargaining power is not necessarily highly correlated with the information or the power to take relevant action to accomplish objectives with high degree of efficiency."

4C5. Bargaining Aspects. Critics of the extreme bargaining model have been more constructive in this respect, but generally they have been content to argue the case for centralized management tools and they stop well short of developing a sound theoretical base for the bargaining model.⁽²²⁾ On occasion, Lindblom himself has briefly acknowledged the possible deficiencies and potentially poor performance of the bargaining model, though such acknowledgement usually appears parenthetically in the context of a lengthier argument on behalf of the necessity and virtues of bargaining. For example, he has acknowledged that "carried to decision-making process in which a strong hierachial element is desirable, bargaining in the wrong place at the wrong time accounts for some of the worst aspects of American Government."⁽²³⁾ Nonetheless, Lindblom has displayed little interest in articulating the conditions necessary for effective performance of the incremental model. Lindblom's model overemphasizes the importance of agreement, neglecting the dynamic nature of the agreement-reaching process, and the fact that political feasibility is only one among several dimensions of policy formation.

4C6. Applicability Domain. It has already been noted that very little is known concerning what is perhaps the most critical aspect of change strategy choices. That is to say, to date, both policy scholars and policymakers know very little about the conditions under which the incremental (or radical) change model would be more appropriate, or at least would be perceived as being more appropriate by the policy actors. An important step toward articulation of the conditions defining the applicability of the incremental model has been taken by Dror, who set forth the following three interrelated pre-requisite conditions as

being essential to a determination of an incremental change strategy as a preferable policy: (24)

- 1) A high degree of satisfaction with present or past policies so that incremental changes are sufficient for achieving an acceptable rate of improvement.
- 2) A high degree of stability in the nature of the problem.
- 3) A high degree of stability in the available means (technology, knowledge, etc.) for dealing with the problem.

Dror recognized the restrictive nature of these conditions, acknowledging that "most modern men live under conditions they regard as increasingly unsatisfactory. . . science may provide many new alternatives. . . and the acute problems require new policies." (25)

4D. The Mixed-Scanning Alternative

In addition to the just cited work of Dror, a second theoretical attempt aimed at articulation of conditions for incremental and radical (fundamental) changes has been made by Etzioni. Etzioni has outlined a third approach to policy formation which combines elements of both the incremental and radical change models and is presented under the label of "mixed-scanning". His mixed-scanning model (26) is aimed at avoiding the strongest criticisms leveled at the rationalistic and incremental models; i.e., the unrealistic cognitive and other resources requirements of the former, and the limited validity domain and conservative bias of the latter. (27) Because he views these criticisms as being manifested primarily in the search phase of the policy formation process, Etzioni has designed a two stage search mechanism to facilitate distinguishing between what he calls "fundamental" and "incremental" decisions. (28) Fundamental decisions (as defined by Etzioni) are

strategic policy decisions which define decision premises for lower level decisions; incremental decisions then become the supporting tactical or operational decisions.

Operationally, Etzioni's "mixed-scanning" search phase calls for an initial broad and long-range scan of the environment in order to locate and identify what, on the basis of only minimal analytical evaluation, appear to be the major significant problems. Only in the second stage are scarce decisional resources devoted to a much more focused, intensive search and evaluation of a few main strategic alternatives. In Etzioni's words:

"Fundamental decisions are made by explaining the main alternatives the actor sees in view of his conception of his goals, but . . . unlike what rationalism would indicate. . . details and specifications are omitted so that an overview is feasible. Incremental decisions are made, but within context set by fundamental decisions (and fundamental reviews). Thus, each of the two elements in mixed-scanning helps to reduce the effects of the particular shortcomings of the other: incrementalism reduces the unrealistic aspects of rationalism by limiting the details required in fundamental decisions, and contextualizing rationalism helps to overcome the conservative slant of incrementalism by exploring longer-run alternatives. Together, empirical tests and comparative study of decision-makers would show that these elements make for a third approach which is at once more realistic and more effective than its components."(29)

Thus, it becomes clear that the "mixed-scanning" is at once a descriptive and a normative model.

For purposes of this study, the most useful aspects of Etzioni's "mixed-scanning" model are the following policy-relevant considerations: 1) the attempt to combine intellectual manageability with conscious self-direction; 2) the basic distinction between strategic (fundamental) and non-strategic decisions; 3) the emphasis of the dominant role of the strategic decisions in policy formation; 4) the explicit recognition

of the need for different models and modes of operation for each type of decisions; and 5) the interdependence between strategic and non-strategic decisions. What is less useful is the assumption of isomorphism between non-strategic and incremental decisions, because both strategic and non-strategic decisions may be "incremental" and "radical" in different systems and in the same system at different times. While recognizing that different strategies may be needed under different conditions, Etzioni offers very little in the direction of an elaboration of various strategies in terms of applicability, effectiveness, and efficiency under different conditions. (30)

In discussing his mixed-scanning model, Etzioni clearly points out the possibilities of utilizing mixed strategies. This supports the earlier argument (Chapter 3) that in a given area of policy, different strategies may usefully be followed in various policy instances. Thus, the incremental versus radical choice is only one among several strategy options which can influence the policy process.

4E. Policy Formation Ramifications of Incremental vs. Radical Change

Preferences

At this point, it is appropriate to complete the discussion of the basic policy formation process ramifications of the incremental vs. radical change strategy dimension. We have been considering the degree of change in policy, defined in terms of the scope of change and the intensity of change. It is important to stress that explicit situational consideration of the pros and cons of each strategy option is essential. This is especially true in view of the previously mentioned tendencies of policy actors to employ risk avoidance mechanisms, and because of

commonly found organizational behavior barriers which frequently preclude use of a radical change strategy. To some degree such barriers may serve to counter-balance the tendencies toward unfettered radical change which are often found in reform policies having a predisposition towards quick, demonstrable results.

A radical change strategy often involves significant political, organizational, and economic costs. Therefore, explicit consideration of cost factors and a systematic assessment of acceptable risks in policy alternatives may lead policymakers to select an incremental strategy, or to attempt to balance a radical change strategy with risk reducing mechanisms such as experimentation, sequential decision-making, etc. Moreover, as will be pointed out in the later discussion of the topic of political feasibility (Section 5E3) one important strategic consideration may be a determination of the extent to which different policy components should be treated with identical strategies. Given that different policy target areas may differ in their degree of feasibility, a decision to follow an "incremental" change strategy regarding some target areas and a radical or mixed strategy in other areas may be desirable. The specific strategic decision would, of course, depend upon the policymaker's goals, intentions, and estimation of the probable results of employing different strategic alternatives.

4F. Research Needs

This review of the various strategic options regarding the scope and intensity of change clearly shows the need for both theoretical and empirical work aimed at development of specifications of the validity and applicability domain of the incremental versus radical change

approaches to policy formation. Other than the debate stimulated by Lindblom's previously cited work, relatively little theoretical work has appeared in the literature, and there is a great dearth of empirical work relating to this important topic. Particularly lacking is any serious attempt to define those conditions under which policymakers would tend to choose a radical vice incremental change strategy. This study is intended to be a first step in that direction.

4G. Chapter Summary

Chapter Four has been concerned with an elaboration of one of the five Strategic Decision Issues contained in the conceptual framework for analysis; the scope and intensity of policy change. The discussion started with a presumption that policymakers can and do exercise (explicit or implicit) choices regarding change strategies and that these choices can influence both the nature and output of ensuing policy formation processes.

After dealing with a number of definitional issues, this chapter reviewed the theoretical foundations of the incremental-radical change debate. The change models of Lindblom (incrementalism) and Etzioni (mixed-scanning) were presented and were critiqued from a policy formation perspective. We saw that Lindblom's model overemphasizes the importance of "agreement", while neglecting the dynamics of the processes by which agreement is reached. A further problem with the incremental model is its implicit assumption that political feasibility is the only major variable influencing the policy formation process. In addition, we saw that although Etzioni's model embodies a number of useful, policy-relevant aspects, he too offers very little in the way of any elaboration

of various change strategies in terms of applicability, effectiveness, and efficiency, under different conditions.

From a policy formation perspective, this lack of attention to the applicability domain of the leading change models is a significant problem because little or nothing has been done to raise our level of understanding about the variables which affect policymakers' preferences for alternative change strategies. It was noted that both Dror and Etzioni have taken small, first steps in this direction, at the theoretical level. However, attention was drawn to the nearly complete absence of related empirical investigation. Therefore, Chapter Four concluded by highlighting the need for policy-relevant empirical studies which would attempt to define those conditions under which policymakers would tend to choose a radical vice an incremental change strategy.

As was noted at the end of this chapter, this study is intended to be a first step in the direction of specifying such conditions. Thus, the conceptual framework for analysis includes scope and intensity of policy change as a Strategic Decision Issue as a means of focusing both conceptual and empirical efforts on this seemingly crucial dimension of the policy formation process.

Notes for Chapter Four

- 1) N. Lin and Gerald Zaltman, "On the Nature of Innovation", American Behavioral Scientist; 14, 5 (May-June) 1971, p. 656.
- 2) E. M. Rogers and F. F. Shoemaker, Diffusion of Innovations: A Cross-Cultural and Communication Approach; New York, The Free Press, 1969.
- 3) Jack Walker, "The Diffusion of Innovation Among the American States," American Political Science Review; Vol. LXIII, September 1969, p. 881.
- 4) James Q. Wilson, "Innovation in Organization: Notes Toward a Theory"; in James D. Thompson (ed.), Organizational Design and Research; Pittsburgh, Pennsylvania, University of Pittsburgh Press, 1966, p. 196.
- 5) It is very difficult to arrive at any meaningful and reliable generalizations about risk-taking behavior. The experimental set-ups of most studies have been rather unique and artificial, the results contradictory, and conclusions doubtful. For representative contributions to the literature, see: Edwards W. and Tversky A., Decision Making: Selected Readings; London, Penguin, 1967. Also see, Marquis D. G. and Reitz, H. J., "Effect of Uncertainty on Risk-Taking in Individual and Group Decisions", Behavioral Science; 15, No. 4 (July 1969), pp. 281-288.
- 6) Howard Raiffa, Decisions Analysis Introductory Lectures on Choices Under Uncertainty; Boston, Mass., Addison-Wesley, 1968.
- 7) The Incremental Change Strategy is discussed in the various writings of Charles E. Lindblom. It was presented in a most provocative form in the "Science of Muddling Through", Public Administration Review; Vol. 19

(1959), pp. 79-99; and it is further developed in The Intelligence of Democracy; New York, The Free Press, 1965. In his most recent book, The Policy Making Process; Englewood Cliff, N. J., Prentice Hall, 1968, Lindblom applies his incremental model for analysis of high level public policy processes.

- 8) Robert A. Dahl and Charles E. Lindblom, Politics Economics and Welfare; New York, Harper and Brothers, 1953. Also, Aaron Wildawsky, The Politics of the Budgetary Process; Boston: Little, Brown and Company, 1964.
- 9) Lindblom, C. E., The Intelligence of Democracy; op. cit., pp. 144-148.
- 10) Lindblom's earlier views on the advantages of the bargaining model appear in his "Bargaining the Hidden Hand in Government"; The RAND Corporation, RM-1436-RC, 22 February 1955. A substantial broadening and fuller exposition of the bargaining model which he renamed "partisan mutual adjustment" appears in, The Intelligence of Democracy; op. cit..
- 11) For an excellent analysis and an incisive critique of the assumptions of pluralistic theory, see Allen Schick, "Systems Politics and Systems Budgeting"; Public Administration Review; Vol. 29 (March-April 1959), pp. 139-150.
- 12) Richard Cyert and James March, A Behavioral Theory of the Firm; Englewood Cliffs, N. J., Prentice Hall, 1963, p. 32ff.

- 13) Aaron Wildawsky, The Politics of the Budgetary Process; Boston, Little, Brown and Company, 1964, p. 136.
- 14) Anthony Downs, Inside Bureaucracy; Boston, Little, Brown and Company, 1967.
- 15) James March and Herbert A. Simon, Organizations; New York, John Wiley and Sons, Inc., 1967.
- 16) Amitai Etzioni, "Mixed-Scanning A "Third" Approach to Decision-Making", Public Administration Review; Vol. 27 (1967) pp. 385-393.
- 17) Kennet E. Boulding in a review of, A Strategy of Decision; in the American Sociological Review; Vol. 29 (1964), p. 961.
- 18) Yehezkel Dror, "Muddling Through--'Science' or Inertia"; Public Administration Review, Vol. 24 (1964), p. 155.
- 19) Braybroke and Lindblom, A Strategy of Decision; op. cit. pp. 66-69.
- 20) Alexander L. George, "The Case for Multiple Advocacy In Making Foreign Policy", a paper delivered at the 1971 Annual Meeting of the American Political Science Association, Chicago, September, 1971, p. 19.
- 21) Henry S. Rowen, "Bargaining and Analysis in Government", in Louis C. Gauthrop (ed.), The Administrative Process and Democratic Theory; Boston, Houghton Mifflin Co., 1970.
- 22) A distinguished exception is William Capron who offers the insightful observation that centralized management tools such as PPBS, if correctly applied, can yield a very effective de-centralized decision-making

structure. See, "The Impact of Analysis on Bargaining in Government"; in Louis C. Gauthrop, op. cit., pp. 354-371.

23) Charles Lindblom, "Bargaining-the Hidden Hand of Government", op. cit., p. 24.

24) Yehezkel Dror, Muddling Through; 'Science' or Inertia?", op. cit.

25) Yehezkel Dror, Public Policy Making Reexamined; San Francisco, Chandler Publishing Co., 1969, p. 146.

26) Amitai Etzioni, "Mixed-Scanning: A "Third" Approach to Decision-Making"; Public Administration Review, Vol. 27 (1967) pp. 385-392.

27) See Review of A Strategy of Decision; op. cit. by Kenneth J. Arrow, in Political Science Quarterly, Vol. 79 (1964).

28) Etzioni, op. cit., p. 389.

29) Etzioni, ibid., pp. 389-390.

30) Etzioni, ibid., p. 391.

Chapter Five

The Concept of Policy Feasibility

5A. Chapter Overview

The main purpose of Chapter Five is to examine why certain potential policies actually energize (i.e., become "accepted for processing" by) the policy system, while many others do not. Based on the presumption that those policies which survive the transformation process known as policy formation have certain identifiable attributes, attention will be devoted to the development of conceptual tools for identifying and dealing with these attributes. For analytical purposes, the dominant cluster of such attributes will be called "policy feasibility". The nature of policy feasibility will be explored through definition and analysis.

Political feasibility will be examined as one component of policy feasibility, with an emphasis on the forces affecting the molding of this important variable. Because one primary means of shaping political feasibility is through coalition formation and maintenance (which in turn is dependent upon consensus building, the major theoretical implications of coalition formation and maintenance will be discussed. Both the sociological and psychological foundations of coalition formation and maintenance, along with the theory of political coalitions, will be treated, in order to form the basis for an appreciation of coalition-consensus inputs to policy feasibility.

Overall, an attempt will be made to examine the fundamental nature of policy feasibility as a means of understanding its basic components and their interdependencies, and as a vehicle for highlighting the hypothesized dynamic nature of this concept which is a critical aspect of the policy formation process.

5B. Introduction to the Concept of Policy Feasibility

Common sense suggests the existence of a nearly inexhaustible supply of potential policies. Of that total universe, only some fractional sub-set actually become inputs to a particular policy formation process. Only an even smaller sub-set survive the rigors of the transformation process which is here called policy formation. A lack of understanding of the true nature of the transformation process makes this type of study necessary.

An important, but yet unanswered question is, why do certain potential policies eventually energize (i.e., become "accepted for processing" by) the policy system while many others do not? Furthermore, what are the reasons why so very few of these actually emerge from the policy formation process in the form of identifiable policy outputs? One contribution towards the answer to such questions may lie in the formulation of the concept introduced here under the name "policy feasibility." Because of an appreciation of the validity of the warning given by Katz and Kahn⁽¹⁾ as to the tautological dangers of thinking that a process has been explained simply because it has been named, policy feasibility is suggested here not "merely" as a name to be ascribed to a complex process, but rather, as a multi-dimensional concept which can serve to order and focus thinking about policy formation phenomena.

5B1. Definition. For purposes of this study, policy feasibility is defined as the probability that a policy alternative will be accepted, approved, and successfully implemented by the relevant policy system. The term will be used here merely as a short-hand notation for a rather complex concept which requires fairly extensive elaboration. Furthermore,

policy feasibility will be conceived of as an "umbrella" concept under which is included several different types of feasibility, as that term is commonly used in other disciplines. These common conceptions of feasibility are modified and integrated so as to make the composite concept more "policy-relevant". Thus, for present purposes, policy feasibility is defined as a cluster of intervening variables, which, when present in the proper mix and in sufficient magnitude, enhance the probability that a given potential policy will be transformed into an identifiable policy output which, in turn, is likely to result in a policy outcome having a high degree of isomorphism with original policy intentions.

5B2. Main Components. The exact composition and nature of the cluster of variables here named policy feasibility remains quite elusive. Therefore, the identification of some indicators of the degree of policy feasibility present in a given situation will provide a useful starting point. Using this approach, it is suggested that policy feasibility may be usefully analyzed in terms of three inter-related main components; economic feasibility, political feasibility, and organizational feasibility. In the discussion that follows, each of these main components will be examined individually, although it should be recognized that a significant interdependence exists among them.

5C. Economic Feasibility

The concept of economic feasibility is already quite well developed in the economic literature.⁽²⁾ Because this concept is well grounded in both theory and practice, there is no need to elaborate on it here. In

policy-relevant terms, economic feasibility relates to the resource requirements and the resource implications of various policy alternatives. A policy alternative having a high degree of economic feasibility is one for which the required economic resources have not only been identified, but also have been determined to be available or obtainable on acceptable terms.

5D. Organizational Feasibility

The second main component of policy feasibility is organizational feasibility. The critical problems related to policies having low organizational feasibility is implied in Allison's recent suggestion that the seeming inability of the U.S. Government to translate major policy intentions into desired policy outcomes represents a major crisis in modern government.⁽³⁾ Several aspects of this translation problem are included in the conceptual framework under topics such as "transformability" and "behavioral barriers". However, thus far, these two notions have been treated in relation to the generation, evaluation, and presentation of policy alternatives. Although clearly related to these dimensions, organizational feasibility is a broader and more elusive concept. The focus here will be on its operation and implications in a meta-policy context.

The concept of organizational feasibility is tri-partite in nature. It consists of technological, behavioral, and structural elements. These are not uni-dimensional, mutually exclusive elements. Rather, they may best be thought of as multi-variate clusters of variables which are here separated and categorized for analytical purposes. Organizational feasibility is concerned with both the "capability" and the "willingness"

attributes of system response. It is concerned with the degree to which policymakers evidence an "institutional awareness".⁽⁴⁾ Moreover, because various policy alternatives are likely to have different degrees of organizational feasibility, this dimension of policy feasibility is a probabilistic concept. Therefore, organizational feasibility is defined as the likelihood that various policy alternatives can and will be operated on by the relevant implementation system (or focal organization) so as to produce policy outcomes which are largely congruent with policy intentions.

The present emphasis on organizational feasibility is not meant to imply that all ramifications and details of policy implementation can or should be addressed during the policy formulation stage. Rather, the more limited suggestion here is that implementation strategies, in broad outline, are a relevant and necessary input into the early stages of policy formulation. There is an extensive literature dealing with organizational change and the implementation of such change⁽⁵⁾, but there is relatively little literature, and virtually no empirical work, which focuses on the explicit consideration of implementation strategy during the policy formulation process.⁽⁶⁾ Thus, organizational feasibility is included in the conceptual framework as a means of focusing analytical attention on the timing and the degree of consideration (during the policy formation process) of the relative implementation probabilities of the various policy alternatives. A closely related second purpose is to highlight the potential interactive influence between organizational feasibility and the resultant degree of success of policy implementation.

The main emphasis here is on the linkages and interdependent influences

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between the implementation stage and the earlier stages which comprise the total policy formation process. In the same sense that elsewhere in this paper an attempt is made to demonstrate the mutual influences between the generation of policy alternatives and the subsequent policy choices, here it is suggested that there exists a similar relationship between policy formulation and policy implementation. Further, it is suggested that an examination of organizational feasibility will provide valuable insight into the nature of these little understood mutual influence channels.

5D1. The Need for Explicit Consideration of Organizational Feasibility in Policy Formation. Both organizational experience and the management and organization theory literature indicate the existence of a tendency to minimize the amount of attention given to organizational feasibility during the policy formulation process, especially in the formative early stages. A number of factors appear to at least partially explain the persistence of this tendency. Time is one critical factor. Near term time pressures, which are aimed at early development of a plausible (or perhaps novel) solution, operate to suppress implementation considerations. Proposed "solutions" tend to have an immediate, intrinsic appeal which generates excitement and commitment. Implementation issues, on the other hand, represent unresolved problems of a more mundane, uninspiring character. It is not surprising, then, to find that where solution-oriented time pressures are high, they tend to overpower future-oriented implementation issues, especially when the implementation phase extends several years into an uncertain future.

Complicating the time element is the fact that many analysts and

policymakers tend to view organizationally related implementation issues as relatively minor details which will (hopefully) be "ironed-out" later. This low priority subjectively assigned to implementation issues probably stems, in large part, from a general lack of awareness of and sensitivity to organizational variables, and from the operation of a variant of Snow's (7) "two culture" syndrome. That is, the orientation, training, and skills necessary for the analysis of a problem may be quite different from those required to plan for implementation of a policy alternative. (8) This frequently results in the naive assumption that policy implementation can be accomplished by simple fiat, or that a "good" policy will be self-implementing.

Other factors contributing to the persistent tendency to de-emphasize organizational feasibility during policy formulation include the limited cognitive capabilities of the policy actors, the limited power of existing conceptual tools and technology, and the existence of policy goals which are difficult or impossible to operationalize.

Given the existence of a strong propensity to ignore, suppress, delay, etc., early commitment of resources to an assessment of organizational feasibility, a more normative need is suggested to systematize or to institutionalize the practice. This, of course, may be a tenuous and costly venture. However, history has repeatedly shown examples of the extremely high costs associated with a failure to give sufficient and timely consideration to organizational feasibility during the policy formation process. A classic example here is McNamara's TFX decision, but one need not look far to find other important illustrations. The literature dealing with organizational change and innovation implicitly

recognizes the importance of organizational feasibility, but in a fragmented way, and with a micro orientation. Thus, a number of authors have suggested consideration of the following aspects of (organizational) feasibility: technology, human resources, facilities, organizational environment, client receptivity, access to needed information; and effect on organizational interdependencies. (9)

Other literature tends to separate (organizational) feasibility into technical, operational, and behavioral categories. While these categories may be appropriate at the micro level, they appear to be less useful at the macro level of concern here. The several elements of organizational feasibility have not been definitively identified or examined at this broader level. In one of the few attempts to do so, Hurwicz distinguishes between "behavioral" and "material" feasibility. (10) This two dimensional approach is a useful beginning, but it tends to obscure system configuration design considerations which may become quite important when policy formulation and implementation have an inter-organizational impact. The importance of the design efficiency of structural features of the implementation system has been critically examined by Katz and Kahn⁽¹¹⁾ and by Ansoff and Brandenburg⁽¹²⁾. These, and other authors point out the importance of structural design variables as determinants of organizational effectiveness. Because of the systemic nature of the macro level policy formation process, the structural characteristics of the implementing system deserve explicit consideration.

5D2. Concept Composition. In order to increase its salience to the policy-level phenomenon, it is necessary to carry the concept of organizational feasibility beyond its present usage in the intra-organizational

change literature. Thus, for present analytical purposes, organizational feasibility may be usefully thought of as being composed of technological, behavioral, and structural elements. The technological element is primarily related to the set of technical capabilities possessed (or which can be acquired at an acceptable cost) by the implementing system. The behavioral element refers to those factors which determine the willingness of the implementing system to effectively apply these capabilities to the attainment of policy goals. The structural element refers to the capacity of the system to accommodate and facilitate patterns of relationships and flows of energy and information which will effectively integrate and channel system capability and willingness towards the successful realization of policy intentions.

Technological factors would include the state-of-the-art of the relevant technology; the level of human expertise; and the capacity and capability of equipment and other physical facilities. Behavioral factors would include those individual and interpersonal social-psychological factors which could operate to either hinder or facilitate policy implementation. This would encompass factors such as leadership and motivation; predisposition toward change; organizational history, culture, and norms; risk propensities; and, personal perceptions of the likely impact of policy changes on the future degree of congruence between organizational and individual goals. The structural element encompasses system design variables such as: communications channels; sub-systems interfaces; system boundaries; the distribution of power; patterns of incentive and reward systems; and organizational control mechanisms.

Because of the policy system attributes of complexity and equifinality, alternative system designs will potentially be competing for attention and resources. Premature, or rigid sub-decisions made during an extended policy formulation cycle can improperly limit the range of possible structural alternatives and/or may force commitment to a structural design which may have later dysfunctional consequences during policy implementation. Early assessment of the capability of an existing system to implement policy changes may lead to the recognition of a necessity to manipulate structural variables either by altering existing patterns of relationships or by designing a new system configuration. Early awareness of this opportunity or necessity can be a significant input into the ongoing policy formulation process.

Conceptual and operational tools available for coping with the challenges of system design are still quite limited, especially at the inter-organizational level. Furthermore, even those available are not fully utilized because of a general lack of appreciation of the importance of structural variables. However, a significant research and experience base does exist and can be used at least as a heuristic aid to system design.⁽¹³⁾ Existing concepts cannot, of course, point the way to the one best system design. Indeed, empirical work by organizational theorists such as Burns and Stalker, Lawrence and Lorsch, Pugh, et. al., supported by theories developed by Bennis, Churchman, Argyris, Thompson, Litwak, and others, tends to strengthen the case for contingency theories of system design.⁽¹⁴⁾ These contingency theories shift the emphasis away from a search for rigid algorithms, and move instead towards an understanding of the implications and consequences of alternative system design configurations and an awareness of the task and environmental conditions

under which one design may be more appropriate than another. From a policy perspective, this latter orientation offers great promise because it facilitates creation of a sensitivity to structural implications, early in the process of policy formulation.

Similarly, the emphasis on environmental influences created by general systems theorists can be a positive force insofar as it induces policymakers to give due consideration to the structural aspects of organizational feasibility. However, the stress on exogenous variables can be overdone, creating the belief that organization structure is a dependent variable which will automatically adjust to changes in the environment. Such a deterministic formulation shifts the attention of the policymaker away from the implications of manipulating structural variables. Such an approach is challenged by Eisenstadt (15) who notes a wide range in the possible degrees of autonomy of a bureaucratic organization vis-a-vis its environment. The present state of incomplete knowledge regarding the relationship between organizational and environmental variables, and the macro level context of policy formulation, both tend to suggest the potential usefulness of explicit analytical examination of structural variables, at the policy system level.

In a business context, the relationship between strategy and structure is a question which has long occupied the attention of scholars and practitioners alike. The work of Chandler, for example, is indicative of the need for organization structure to support strategy. (16) Dror and Selznick have dealt with similar phenomena in the public sector. (17) It is neither crucial nor possible here or during policy formulation to definitively answer the question whether strategy or structure is the

dependent variable. However, what is much more important is that the analyst and policy maker consciously be aware of the fact that an interactive relationship exists between these variables.

In a public policy context, the policymaker is usually facing the necessity to deal with organizational feasibility at the inter-organizational (system) level. This compounds many of the difficulties noted earlier and underscores the effect of the mutual influences between policy formulation and policy implementation. For example, a convincing case can be made to explain the numerous problems which arose during the government-wide implementation of PPBS, in terms of inadequate attention to organizational feasibility variables during the policy formation stage.⁽¹⁸⁾ Especially relevant here is a whole host of problems which evolved from the inter-organizational character of the implementing system when an attempt was made to extend PPBS to nearly all federal civilian agencies.

A concern for the dynamics of inter-organizational phenomena is just beginning to influence the research and theory efforts of the organizational behavior discipline. At present there exist only inadequate conceptual tools and only fragmented bits of theory to guide the policymaker in this arena. The very recent multi-disciplinary work of Tuite, Chisholm, and Radnor⁽¹⁹⁾ is an example of an attempt to begin to deal with the thus far intractable inter-organizational problems which surround this leading edge of the discipline, and which represent a central concern to students and practitioners of the policy formation process.

5E. Political Feasibility *

To complete this examination of policy feasibility, let us now turn our attention to the third main component; political feasibility. Using Dror's approach, political feasibility (of policy) is defined here as ". . . the degree to which policy is sufficiently acceptable to the various decision makers, interest groups, and publics whose participation or acquiescence is needed, so that it can be translated into action".⁽²⁰⁾

Policy formation activity usually will be associated with a number of different policy alternatives which may have different political feasibilities. Therefore, identification and estimation of political feasibility is one of the important elements of the policy formation process and as such is a natural target for the behavioral study of policy formation. In view of the importance of political feasibility in policy formation, it is quite surprising that it remains neglected in organization theory literature and is not well developed even in the discipline of political science.⁽²¹⁾ For purposes of this study, political feasibility may be analyzed along three interdependent dimensions; i.e., those aspects which are actor related; those which are policy alternative related; and those which are policy target area related.

5E1. The Actor Dimension. Relative to any particular policy actor (i.e., individual, group, organization, etc.) political feasibility refers to the space of effective political action within which the actor is able to affect reality. In this sense, political feasibility is closely connected with the concepts of influence and power.⁽²²⁾ To avoid the multiple meanings often attached to the terms "power" and "influence" in the literature, and to facilitate more general analysis, Gergen's

* The discussion in this section is, in part, based on the work of Professor Yehezkel Dror of Hebrew University.

use of the notion of political leverage⁽²³⁾ is followed here. Gergen uses political leverage to refer to the ability of a policy actor to influence policies and their implementation.⁽²⁴⁾ An actor's political leverage might differ with respect to different policy target areas and even within policy phases. The term, actor's leverage domain⁽²⁵⁾, will be used in this study to refer to the action space within which a particular policy actor has demonstrable political leverage.

5E2. The Policy Alternative Dimension. Political feasibility might differ in respect to different policy alternatives. When a number of policy alternatives have different political feasibilities, a preferable policy may be identified, in part, by trying to estimate the risks and costs (economic, political, and organizational) associated with each alternative. Therefore, the political feasibility of any discrete policy alternative refers to an actor's (behavioral and probabilistic) expectation that the political support necessary to insure approval and successful implementation of that alternative either exists or can be created within acceptable time and other resource constraints.⁽²⁶⁾ Here the term policy feasibility domain is used to describe the range of those expectations just described.

There is no intent here to imply that a policy alternative is qualitatively "better" simply because it appears to have a high degree of political feasibility.⁽²⁷⁾ Unfortunately, history has shown that many "poor" policies in fact enjoy a high degree of political feasibility. Be that as it may, the "quality" of policy alternatives is beyond the scope of the modest objectives of this study. For present purposes, it should be recognized that explicit evaluation of the political feasibility of various policy alternatives might suggest to a policy actor the

need to impose a limitation on the number of alternatives to be seriously considered and analyzed. Or, it might suggest the need to establish strategies aimed at creating or enhancing the degree of political feasibility. In this sense, the topic of political feasibility is closely related to the concept of coalition and consensus building which is examined later in this chapter.

5E3. The Policy Target Area Dimension. As noted earlier, comprehensive policies are likely to encompass several target areas. In such cases, the degree of political feasibility of various policy alternatives might differ with regard to various target areas within the same overall policy. This may require the policymaker to make interactive trade-offs in an attempt to achieve a viable overall political feasibility. However, the analysis and evaluation of political feasibility (as discussed in the preceding section) would seem to be a prerequisite even to recognize the need for such action. Thus, in addition to the factors discussed earlier, an assessment of political feasibility in regard to different policy target areas might lead the policy-maker to explicit consideration of the possible need to employ different policy strategies in different target areas. For instance, a strategy of "incremental change" might be appropriate vis-a-vis one target area, while a "radical change" strategy might be more appropriate vis-a-vis another target area. This suggests the desirability of at least considering application of mixed strategies and the utilization of various risk reducing mechanisms such as experimentation⁽²⁷⁻¹⁾, sequential decisionmaking⁽²⁷⁻²⁾, etc. Here, then, is the emergence of an interface between political feasibility and policy strategies, an important topic which is discussed in Chapter Three.

Thus, there are close logical and (at least suggestive) empirical relationships between these three analytical dimensions of political feasibility. Following the definitions above, in order for a policy alternative to be politically feasible, it must be within political feasibility domain of the relevant policy target area.⁽²⁸⁾ Furthermore, empirically, the shape and dynamics of the policy feasibility domain are at least, in part, influenced by the political leverage of the policy actors involved in a given policy area.

5E4. Temporal Considerations. Political feasibility is a very time-sensitive concept. However, the relationships between time and political feasibility might be neither linear, nor fixed in direction, nor continuous. In some cases, feasibility might increase possibly in jumps over a large time-span, as a consequence of crises⁽²⁹⁾, as a result of a breakthrough in technological innovation, or in response to pressures and social dynamics. Or, in certain cases, it may decrease, thereby endangering political opportunities or even resulting in their loss. Therefore, changes in political feasibility domains may be non-continuous, especially when various time spans in the policy formation process are considered.

5E5. Molding of Political Feasibility. As already implied, in a policy context, it is suggested here that political feasibility is not a fixed commodity, nor is it a "given". Implicit in the definition of political feasibility given above, is the notion of variation and change. This underscores a critical point insofar as the policy-relevant aspects of political feasibility. That is, it is a dynamic and not a static concept.

Although political feasibility is, in part, shaped by environmental factors beyond the control of the policy-makers, it is also, in part, subject to some degree of control by the policy-maker. The seemingly obvious, yet little understood, premise here is that political feasibility is a variable which can be (at least) partly shaped and molded by policy actors.

Thus, consistent with the earlier definition, it is suggested that political feasibility can be created, maintained, and modified in scope and intensity. This dynamic nature operates in response to strategic and tactical actions taken by policy actors. These actions may be explicit or implicit, planned or unintended. The potential result is the same; political feasibility is shaped and molded not only over time, but also in respect to the three interdependent dimensions discussed earlier. One primary means of shaping political feasibility is through coalition formation and maintenance, which in turn is dependent upon consensus building. Because of the hypothesized centrality of coalition formation and maintenance to policy formation, it will be worth-while to examine some of the major theoretical implications of this important process.

5F. Coalition Formation and Maintenance, and Concensus Building

The theoretical foundations of the concept of coalition formation and maintenance are derived from two main streams of thought; the socio-psychological foundations of coalition theory, and the theory of political coalitions. Each of these schools will be examined separately. The sociological and psychological foundations of coalition theory are composed of a heterogeneous bundle of theories nominally referred to as

"exchange theories". It would be a herculean task without direct relevance here to attempt to summarize this entire body of literature. Therefore, this brief review will be very selective.

5F1. Sociological Approaches. Theodore Caplow was one of the first sociologists to deal with coalition theory in an organizational context. (30) Since presentation of his first formal sociological theory of coalition formation, many independent nomothetic studies and isolated attempts at the construction of grand theory have occurred. Between these two extreme approaches lies a vacuum. Very little organizationally relevant work has been done, despite Merton's early recognition of the pressing need for "middle range theories". (31)

Attracted by the well developed set of analytical and conceptual tools which economists have developed for treatment of material exchange, leading sociologists have attempted to model social behavior as an exchange transaction. The main assumption being that if the variables are appropriately transformed, then much of the familiar economic equipment can be applied to social behavior. This is the intersection between Homan's and Blau's "exchange theories". Homan's (32) assumed that social behavior could be conceived as a market transaction. This was based on a presumed isomorphism between, and analogy with, market and social behavior. This approach is not a helpful one, because of the irreducible character of basic social values which cannot be reduced to some common denominators, and which, therefore, cannot be treated through "trade-off" mechanisms readily applied to market transactions.

In a much more sophisticated formulation proposed by Blau (33) the concept of consensus-building is grounded in a broad definition of power.

Blau's definition of power includes:

". . . all kinds of influences between person and groups, including those exercised in exchange relationships, where one induces others to accede to his wishes by rewarding them for doing so" (p. 115).

Blau later extends this definition, following Parsons, to include ideas of regularity, of overcoming resistance, and the use of negative sanctions. The resultant conception, which is close to Dahl's definition of power, (34) refers to all asymmetrical influence processes. Blau's elegant formulation of power as an influence transaction is inherently difficult to apply in any predictive way. This partly stems from the "irreducibility" problem discussed above, partly from the non-quantifiability of the power base, and partly from the fact that power-based influences are but one determinant of behavior. The existence of these problems in no way diminishes the significance of Blau's contribution to an improved understanding of power analysis, focused at the broadest level of general social phenomena. However, the very high level of analysis employed by Blau limits the applicability of his sophisticated theoretical work to more particularistic studies of policy phenomena.

5F2. Psychological Approaches. The psychological research related to coalition theory is voluminous. In his recent review of research dealing with coalition and bargaining behavior, Gergen (35) came to the conclusion that most of the experiments from which these research findings emerge are too artificial to have any significant policy relevance. He notes that typically the subjects are bargaining for pennies or imaginary dollars, are usually not allowed to communicate, and are dealing with

alternatives which are unrealistic and drastically restrictive. Therefore, the general validity of the results of these studies, for policy-oriented purposes, is problematical. Gergen concludes his survey by observing that:

"If there is a general conclusion that might be reached, it is that for any exchange between two people, there may be multiple sources of satisfaction. . . Even though we may know a good deal about people's overt behavior in such situations, our knowledge of the underlying processes is much more slim." (p. 70)

5F2-1. Thibaut and Kelley. One example of psychological work on human behavior in interaction situations is Thibaut and Kelley's development of their "interaction matrix" and their "fate control-behavioral control" notions.⁽³⁶⁾ Of course, the simple dyadic relationships that were studied by these researchers are hardly comparable to complex policy systems. But more fundamentally valid, for present purposes is Deutsch's criticism of the following basic, but unrealistic, implicit assumptions underlying the studies of Thibaut and Kelley:

(1) People pursue their self-interest mechanistically without regard for any psychological aspects of anticipating the behavior of others.

(2) The absence of face-to-face communication on the part of the interactants is not a significant behavioral determinant in more general bargaining situations.⁽³⁷⁾

It is not difficult to concur with Deutsch's conclusion that Thibaut and Kelley's matrix outcomes may be useful in predicting behavior when relationships have stabilized. However, in such circumstances, one is simply using past behavior to predict future behavior, and the matrix tends to become superfluous in those stabilized cases. Therefore, it is concluded that the real merit in the contribution of Thibaut and Kelley lies not so much in the power of their theoretical concepts, but rather,

in their emphasis on: 1) the influence of participant interdependence on social interactions; and 2) their suggestion that rewards and costs are not experienced as absolutes, but that their psychological significance varies with each persons' past experiences and present opportunities.

5F2-2. The Carnegie School. In a limited fashion, March and Simon⁽³⁸⁾ and Cyert and March⁽³⁹⁾ have attempted to deal with coalition formation and maintenance in an organizational context, and their work is somewhat unique along this dimension. However, for present purposes, even these efforts are unduly narrow and closed conceptualizations. For example, March and Simon limit their treatment of coalition formation to the issue of an individual's decision to participate, with a resultant emphasis on the "inducement-contribution" balance. Cyert and March employ a somewhat broader formulation when they, in effect, define the firm as a series of emergant, ad hoc coalitions. However, their approach of analyzing one decision at a time ignores the dynamics inherent in interactive and spillover effects and makes it extremely difficult to locate stable coalitions which can only be identified through the examination of choice and alliance patterns persisting over time.

Thus, while these theorists of the Carnegie School have generally gone further than most writers in attempting to make coalition theory organizationally relevant, their work to date still reflects a grossly oversimplified and static view of the actual dynamics of coalition behavior, even in an intra-organization context. Such theoretical efforts have very limited application in studies of policy phenomena, which, by definition, occur in an inter-organizational setting where the dynamics

of coalition behavior become considerably more complex and are more sensitive to political variables. In recognition of this fact, let us briefly review the theory of political coalitions.

5F3. The Theory of Political Coalitions. Despite Herbert Simon's heroic attempts to seal the demise of the rational economic man,⁽⁴⁰⁾ much contemporary coalition theory⁽⁴¹⁾ and research⁽⁴²⁾ in political science still assumes that actors exhibit economically rational behavior.⁽⁴³⁾ That is to say, that the decision criteria governing the acceptance (or rejection) of one alternative from a set of multiple alternatives are based upon utility maximization,⁽⁴⁴⁾ on the scarcity of political resources,⁽⁴⁵⁾ and on some attempt to reach "Pareto-optimum" solutions.⁽⁴⁶⁾ Each of these axiomatic assumptions is, in fact, violated in the reality of complex policy formation processes.

For example, most behavioral research on decision-making clearly demonstrates that the actors normally satisfice rather than maximize, not only because of a lack of wits but often because of a lack of will.⁽⁴⁷⁾ Furthermore, because of the dominant influence of classical economic thought, even sophisticated political scientists still tend to assume (erroneously) a high degree of isomorphism between the basic nature of economic and political resources. Such thinking ignores critical generic differences in kind. Although not unlimited, the supply of political resources is not as rigidly constrained nor as finite as is the case with economic resources. Opportunity costs are less evident and less real for application of political resources than is the case with economic resources. Thus, both in availability and in variety of application and effect, political resources offer the policy actor much more flexibility

than do economic resources. For example, political resources, when employed in the form of favors or coercive moves, often result in immediate power producing effects. It is difficult to conceive of economic resources in analogous terms. Similarly, the classical models of economic resources being either consumed or invested with continuous, concave, production possibility curves are not readily applicable to political resources employed to produce political power.

The main problem-cluster related to the "Pareto Optimum" assumption involves a value question. This includes the quite well recognized (though unsolved) problem of individual multi-dimensional utility functions which can be neither aggregated nor compared. As mentioned above, much of existing contemporary coalition theory assumes trade-off possibilities between different goals, thus permitting "side payments" and some use of Pareto Optimum as a choice criterion. But in value-intensive policy issues, values assume more of an "all-or-nothing" form. In such situations, Pareto Optimum may become logically irrelevant.

On the more pragmatic level, the study of coalitions is in large part directed toward one basic question; i.e., in the process of policy formation, which coalition(s) (from the set of all possible coalitions) is most likely to form? Riker has suggested an answer derived from the "pay off" principles of "n-person" games.⁽⁴⁸⁾ The conclusion, which he calls the size principle, states that rational actors, confronted by the necessity to form coalitions to effect policy action, will, "create coalitions just as large as they believe will ensure winning, and no larger."⁽⁴⁹⁾ Riker suggests that this deceptively simple norm has considerable application in analyzing the formation of coalitions.

Behavioral studies of policy formation and decision-making clearly show that the fit between the above conclusion and reality is not particularly good. Riker himself took note of this problem when he suggested that the meaning of the "payoff" to a winning coalition is somewhat obscure.⁽⁵⁰⁾ The basic problem can be traced to two of the basic assumptions of the model; one being explicit and the other implicit. First, the explicit assumption of zero-sum game conditions,⁽⁵¹⁾ which is crucial to the coalition minimizing logic, is not readily identifiable as either an obvious or a necessary factor in the policy formation process. Secondly, in political coalition theory there is an implicit assumption that the game is played but once, or at least, that is is not repetitively played by the same actors.⁽⁵²⁾ In contrast, policy formation in the real world involves coalition formation in a context in which the game is repeated, not only once, but numerous times, with different plays frequently overlapping each other. The behavioral impact of recursive, overlapping plays is likely to be quite different than that envisioned by the simplistic assumptions of Riker's model.

One of the most convincing criticisms of Riker's "size principle" came from Anthony Downs.⁽⁵³⁾ While agreeing with Riker that winning is the primary goal of rational actors, Downs questions whether the most rational means for accomplishing this end is "to maximize only up to the point of subjective certainty of winning." On the contrary, Downs ascribes to political parties the goal of maximizing votes without limit, an objective which he regards as synonymous with the goal of winning elections. However, more important from a policy perspective is Down's identification of some institutional determinants of coalition

behavior. Unlike most political scientists, Downs addresses the concept of coalition formation and maintenance in an organizational context. This additional insight extends the relevance of earlier coalition behavior studies beyond the constraints inherent in the more typical study which focuses on outcomes (expressed in terms of ad hoc voting behavior) rather than on the institutional process producing those outcomes. Attention to the institutional dimension highlighted by Downs may provide a bridge between traditional political science coalition behavior studies of voting behavior and more recent interdisciplinary attempts to examine the determinants of joint, cooperative decision-making at the inter-organizational level, in a policy context. (54)

Despite the reservations expressed above, the political theory of coalitions can provide a useful metaphor for studying policy-relevant coalition behavior, providing that a distinction is made between its core ideas and its secondary apparatus, and if the behavioral dimension is strengthened on the basis of empirical evidence. This necessitates moving beyond the narrow focus of "voting studies" which neglect the dynamics and behavioral aspects of coalition formation and maintenance, and of consensus building. From a policy formation perspective, the preceding brief review of the theory of political coalitions has suggested several useful concepts. These include: the need for consensus building; the notion of required coalitions; and the implications of side-payment exchange. Also relevant is Riker's concept of the proto-coalition (55) which deals with the dynamics of the timing of incremental changes in coalition membership.

5F4. Role-set Theory and Coalition Behavior. An alternative formulation of coalition behavior in an inter-organizational setting is an attempt to expand role-set theory beyond its original intra-organizational focus.⁽⁵⁶⁾ Efforts in this direction are still in an embryonic stage but theoretical work done to date⁽⁵⁷⁾ offers the promise of a novel but viable attempt to directly address the complications inherent in coalition formation and maintenance processes in a policy system. Such a formulation, for example, offers a useful way of thinking about the "role conflict" created in policy systems where coalitions tend to be overlapping and where policy actors may at any moment be a member of several coalitions formed for various ad hoc purposes.

These seminal efforts are, of course, fraught with numerous conceptual and methodological problems. Conceptually, for example, treatment of "non-role-connected" behavior is weak. Methodologically difficult measurement and mapping problems abound. Nonetheless, an inter-organizational role-set conceptualization of coalition behavior comes closer to capturing the richness and variety of coalition behavior in policy systems than does any of the partial, simplistic treatments afforded by more traditional approaches which have, to date, dominated the political science literature.

5F5. Coalition-Consensus Inputs to Policy Feasibility. Coalition formation and maintenance, and consensus building, are the basic dimensions of policy feasibility. As such, they are a natural and important target for a behaviorally oriented study of the policy formation process. The detailed modeling of this process is beyond the scope of this study. However, the conceptual framework includes some important dimensions which

may heighten our presently limited understanding of the impact of consensus building and coalition formation and maintenance on policy feasibility.

5G. Variables Shaping Policy Feasibility

Although policy feasibility is a variable which can be shaped by the actions of the policymaker, not enough is known about policy feasibility to provide a firm empirical basis for statements about the major variables which shape its main features. Nonetheless, it is suggested that a list of such variables would include, *inter alia*, the existence of a high degree of dissatisfaction with present policies; intense external pressure; the existence of a perception of crisis; technological innovation; the political leverage of policy actors; actor's intentions; required coalitions; and related variables.

5H. Interdependencies Among Policy Feasibility Components

The several interdependencies among the various components of policy feasibility become immediately apparent. For example, the allocation of scarce economic resources is, in reality, essentially a political phenomenon. Resources are allocated not only to action-oriented social policy proposals but also to the creation and extension of technology. It seems plausible to speculate that, in general, political support for a policy proposal may not be forthcoming until the necessary technology is available. Furthermore, the allocation of economic resources to that policy would probably be controlled by the degree of political support present. In advanced, affluent societies, the constraints imposed by political feasibility are likely to be more stringent than those imposed by economic feasibility. However, for certain policy target areas,

technological constraints may well be the dominant ones.

Recognition of the interdependencies existing among policy components should not mask the fact that each component is defined by several unique characteristics. For example, within a certain range, economic and technological capabilities are mutually transformable. This is less true of political feasibility, which is of a different genre. For example, the "supply" of political resources is less fixed than is the supply of economic resources, and in application, political resources tend to be much more flexible and less affected by opportunity cost considerations. In contrast, economic feasibility suggests a context of limited resources. This tends to drive the policy formation process into a zero-sum game mode, resulting in competitive strategies and a tendency to attempt to optimize the allocation of limited economic resources by application to policy alternatives having a high degree of political feasibility.

Clearly then, the several components of policy feasibility have a chameleon-like nature. They are at once interdependent, uniquely defined, and yet are interchangeable to some degree.

5I. The Basic Nature Policy Feasibility

In summary, policy feasibility, as the concept is used in this study, is a multi-dimensional, dynamic phenomenon. The central purpose in examining its numerous facets and dimensions has been to underscore this dynamic nature and to highlight the critical fact that policy feasibility is not a "given" but is a cluster of variables, the existence and strength of which can be shaped by actions of the policy-maker.

The essential interdependency between policy feasibility and the

policy formation process is captured by Lindblom who has noted:

"For any policy-making system has a prodigious effect on the very preferences, opinions, and attitudes to which it itself also responds. It is not, therefore, a kind of machine into which are fed the exogenous wishes, preferences, or needs of those for whom the machine is designed and out of which come policy decisions to meet these needs, preferences, or wishes. The machine actually manufactures both policies and preferences." (58)

Similarly, Lindblom focuses attention on the recursive, dynamic interface between iterative assessments of policy feasibility and the essence of the policy formation process itself when he tells us that:

"What is wanted is endlessly reconsidered in the light of what is possible or most feasible. What is possible and feasible is constantly reconsidered--and the possibilities themselves restructured--in the light of what is wanted." (59)

5J. Chapter Summary

The primary purpose of Chapter Five was to examine why certain potential policies are accepted for processing by the policy system and ultimately result in identifiable policy outputs. The concept of policy feasibility was introduced as a conceptual tool for use in moving towards that goal. Policy feasibility was defined as the probability that a policy alternative will be accepted, approved, and successfully implemented by the relevant policy system. It was shown that policy feasibility may be usefully analyzed in terms of three interrelated main components: economic feasibility; political feasibility; and organizational feasibility.

Because the concept of economic feasibility is already well grounded in theory and practice, it was not extensively treated. In contrast, organizational feasibility was developed in some detail, with a focus on its nature, operation, and implications in a meta-policy context.

This concept was defined as being tri-partite in nature, consisting of technological, behavioral, and structural elements. Organizational feasibility is concerned with "institutional awareness", and was defined as the likelihood that various policy alternatives can and will be operated on by the relevant implementation system so as to produce policy outcomes which are largely congruent with policy intentions.

Thus, organizational feasibility was suggested for inclusion in the conceptual framework for analysis as a means of focusing on the timing and degree of consideration (during policy formation) of the relative successful implementation probabilities of the various policy alternatives. The need for explicit consideration of organizational feasibility was stressed, in view of the seemingly strong and persistent tendency of policymakers to ignore, suppress, and delay early and thorough attention to this critical aspect of policy feasibility, and especially its inter-organizational complexities.

Political feasibility was analyzed along three interdependent dimensions: those aspects which are actor related; those which are policy alternative related; and those which are policy target area related. The close logical and empirical relationships between these three analytical dimensions were discussed, and the time sensitivity of policy feasibility was demonstrated. Considerable emphasis was placed on the notion that political feasibility is a dynamic and not a static concept. Thus, it was suggested that political feasibility can be created, maintained, and modified in intensity, in response to both strategic and tactical actions taken by policy actors.

Because of the hypothesized centrality of coalition formation and

maintenance to policy formation, the major theoretical implications of these processes (which are, in turn dependent upon consensus building) were examined. This examination included both sociological approaches (relying heavily on "exchange theories" and general influence processes, such as power) and psychological approaches (dealing with bargaining and coalition behavior). It was shown that both of these approaches had limited application to the study of policy phenomena because they tend to be based on either grand theories or on rather artificial small group experiments.

Because policy formation has been characterized as a dynamic, inter-organizational process which is sensitive to political variables, the theory of political coalitions was also reviewed. In particular, Riker's size principle of coalition formation was critically analyzed and was shown to be a potentially useful metaphor for studying policy-relevant coalition behavior, despite some conceptual and operational difficulties relating to the (artificial) zero-sum game assumptions and the presumed non-iterative, non-overlapping nature of political coalition behavior. Downs' identification of some institutional determinants of coalition behavior was suggested as a possible bridge between traditional political science studies of voting behavior and more recent inter-disciplinary attempts to examine the determinants of joint, co-operative decision-making at the inter-organizational level. From a policy formation perspective, several useful concepts inherent in the theory of political coalitions were highlighted. These included: the need for consensus building; the notion of required coalitions; and the implications of side-payment exchange behavior. Although the existence

of significant conceptual and methodological difficulties was recognized, an extension of role-set theory was suggested as a possible alternative conceptualization of coalition behavior.

Finally, a suggestive list of some of the major variables shaping policy feasibility was provided, and the interdependencies among policy feasibility components was stressed. The major points emerging from the discussion in Chapter Five are: first, the development of the concept of policy feasibility as a tri-partite, dynamic phenomenon; and secondly, the notion that policy feasibility is neither fixed nor given, but is a cluster of variables, the existence and strength of which can be shaped by actions of the policymakers.

Notes for Chapter Five

- 1) Daniel Katz and Robert L. Kahn, The Social Psychology of Organizations; New York, John Wiley and Sons, Inc., 1966, p. 289.
- 2) See, for example, the various essays in Robert H. Haverman and Julius Margolis (eds.), Public Expenditures and Policy Analysis; Chicago, Markham Publishing Company, 1970. Also relevant is the earlier classic, Charles J. Hitch and Roland N. McKean, The Economics of Defense in the Nuclear Age; New York, Antheneum, 1965.
- 3) Graham T. Allison, The Essence of Decision; Boston, Little, Brown and Company, 1971.
- 4) The intended meaning is that given by Sir Geoffrey Vickers in The Art of Judgment; London, Chapman Hall.
- 5) See, for example, Warren G. Bennis, Kenneth D. Benne, and Robert Chin (eds.), The Planning of Change; New York, Holt, Rinehart and Winston, 1969. Also see the excellent bibliographic summary compiled by Richard T. Barth in an unpublished course paper for D25-2, Organization Behavior Department, Graduate School of Management, Northwestern University, June 3, 1968.
- 6) In the absence of directly relevant work, useful insights may be gained from Michael Radnor, Albert H. Rubenstein, and David A. Tansik, "Implementation in Operations Research and R and D in Government and Business"; Operations Research, Vol. 18, No. 6, Nov.-Dec., 1970, pp. 967-991.

7) C. P. Snow, The Two Cultures and the Scientific Revolution; London, Collier-MacMillan Ltd., 1959.

8) Much the same conclusion was reached in the Northwestern University OR/MS implementation studies directed by Michael Radnor and Albert H. Rubenstein, op. cit.

9) These and similar topics are treated in the literature in many contexts. The following works are representatives:

- a. N. R. Baker and W. H. Pound, "R & D Project Selection: Where We Stand", IEE Transactions on Engineering Management, Vol. II, No. 4, Dec., 1964.
- b. Albert H. Rubenstein, "Studies of Project Selection Behavior in Industry", in Operations Research in Research and Development, Burton V. Dean (ed.), John Wiley and Sons, Inc., New York, 1963.

10) Leonid Hurwicz, "Organizational Structure for Joint Decision Making", in Mathew F. Tuitte, et. al. (eds.), Interorganizational Decision Making, Aldine, Chicago, 1972.

11) Daniel Katz and R. L. Kahn, op. cit., p. 156.

12) H. I. Ansoff and R. G. Brandenburg, "A Language for Organizational Design", Management Science, Vol. 17, No. 12, August 1971.

13) See, for example, a) R. M. Cyert and J. G. March, "Organizational Design", in New Perspectives in Organizational Research, Cooper, Leavitt, Shelly (eds.), John Wiley and Sons, Inc., 1964, pp. 557-566; b) Haberstroh, C.J., "Organizational Design and Systems Analysis", in Handbook of

Organizations, J. G. March (ed.), Rand McNally, Chicago, 1967, pp. 1171-1211.

14) Such contingency theories have been advanced by the following scholars, among others:

- a) T. Burns and G. Stalker, The Management of Innovation; London, Tavistock Publications, 1961.
- b) Paul R. Lawrence and Jay W. Lorsch, Organization and Environment; Homewood, Illinois, Richard D. Irwin, Inc., 1969.
- c) D. C. Pugh, I. D. Hiehson, C. R. Hining, and C. Turner, "The Context of Organization Structures, Administrative Science Quarterly, 14, 1969, pp. 91-114.
- d) Warren G. Bennis, "Organizational Development and the Fate of Bureaucracy"; Industrial Management Review, 7, 1960, pp. 41-57.
- e) Chris Argyris, Integrating the Individual and the Organization; New York, Wiley, 1969.
- f) J. D. Thompson, Organizations in Action; New York, McGraw Hill, 1967.
- g) E. Litwak, "Models of Bureaucracy Which Permit Conflict", American Journal of Sociology, 67, 1961, pp. 177-189.

15) S. N. Eisenstadt, "Bureaucracy, Bureaucratization, and De-bureaucratization"; Administrative Science Quarterly, Vol. 4, December, 1959, pp. 302-320.

16) Alfred D. Chandler, Strategy and Structure; Cambridge, Mass., The M.I.T. Press, 1962.

17) See, for example, Yehezkel Dror, Public Policy Making Reexamined; San Francisco, Chandler Publishing Co., 1968. Also see, Philip Selzmih, TVA and the Grass Roots; New York, Harper and Row, Torchbook, 1966.

18) David S. Mundel, "PPB: Clearing the Records"; unpublished working paper, Cambridge, Mass., Harvard University, August 1971.

19) Matthew F. Tuite, Roger K. Chisholm, and Michael Radnor (eds.), Interorganizational Decision-Making; Chicago, Aldine Publishing Co., 1972.

20) Yehezkel Dror, op. cit., p. 35.

21) See Ralph Huitt, "Political Feasibility", in Austin Ranney (ed.), Political Science and Public Policy; Chicago, Markham, 1968, p. 263.

22) The number of studies dealing with the notion of power is, of course, quite extensive in the literature. The theoretical foundation of the subject may be found in Parson (1963); Merriman (1934); Russel (1938); Homans (1950, 1958, 1961); Lasswell and Kaplan (1961); Schermerhom (1961); and Blau (1964). Empirical ventures in this area include: Dahl (1961); Hunter (1953); Etzioni (1961); Miller (1958); Banfield (1961); French and Raven (1960); and Warren (1968).

23) For the concept leverage points, see Kenneth J. Gergen, "Assessing the Leverage Points in the Process of Policy Formation", in Raymond Bauer and Kenneth J. Gergen, The Study of Policy Formation. Care must be taken since the authors see using this term primarily for studying individual policymakers. This study is not necessarily so limited in focus.

24) The concept of political feasibility as used here shares with the concept of implementation as used in several OR/MS studies at Northwestern University: 1) An awareness of the feasibility dimension in decisional processes; 2) the sensitivity to alternative pathways for implementation; 3) An awareness of time, cost, and behavioral implications of actors' interactions. However, the concept proposed in this paper is much broader and inter-organizational directed than the former. See Michael Radnor, A. H. Rubenstein, and A. J. Bean, "Integration and Utilization of Management Science Activities in Organizations", Operational Research Quarterly, XIX (June 1967), pp. 117-141.

25) Roughly identical with Thompson's "organization domain" as used in James D. Thompson, Organizations in Action; New York, McGraw Hill, Inc., 1967, p. 26.

26) The political dimension of approval of organizational innovation and change is stressed in R. E. Miller, Innovation Organization and Environment; Institut de Recherche et de Perfectionnement en Administration, Universite de Sherbrooke, Sherbrooke, 1971, p. 55.

27) Arguments have even been made that analytical contribution to policy have been weakened by analysts paying too much attention to political feasibility. See Alvin L. Schorr, "Public Policy and Private Interest", a paper presented at the Conference on Public Policy and Social Science, Rutgers University, November 23-26, 1969, p. 16.

27-1) See Donald T. Campbell, "Reforms as Experiments", American Psychologist, 24, 1969, pp. 409-429.

27-2) The Sequential decision model was developed by Burton Klein. See "The Decisionmaking Problem in Development", in National Bureau of Economic Research, The Rate and Direction of Inventive Activity, Princeton University Press, 1962.

28) This rationale is parallel to that underlying Elbing's decision-making model as discussed in Alvar O. Elbing, Jr., "A Model For Viewing Decision Making In Interaction Situations From An Historical Perspective", University of Washington Business Review, June 1961, pp. 38-49.

29) A particularly useful and current review of field studies and laboratory and simulation work on the effect of crises is provided by two recent organizationally oriented books: Ole R. Holsti, Crisis, Escalation, and War; 1971; and Charles F. Hermann, Crises in Foreign Policy; The Bobbs-Merrill Co., Inc., New York, 1969.

30. Theodore Caplow, "A Theory of Coalition Formation in the Triad"; American Sociological Review, 1956, 21, 489-493. For an extension of Caplow's Theory see W. A. Gamson, "A Theory of Coalition Formation"; American Sociological Review, 1969, 26, pp. 373-387. See also, Lawrence H. Nitz "Coalition Theory Revised-A Problem of Economic Interpretation of the Sociological Foundations", a paper presented at the American Political Science Association Convention, Chicago, September 1971, pp. 7-11.

31) Robert K. Merton, Social Theory and Social Structure; Glencoe, Ill., The Free Press, (revised edition), 1968.

32) George C. Homans, The Human Group; Harcourt Brace, New York, 1950; "Social Behavior as Exchange", The American Journal of Sociology, 63, 1958, pp. 597-606; and Social Behavior - Its Elementary Forms, Harcourt Brace, New York, 1961.

33) Peter M. Blau, Exchange and Power in Social Life; John Wiley and Sons, Inc., New York, 1964.

34) Robert A. Dahl, "The Concept of Power"; Behavioral Science, 2, July 1957, pp. 201-215.

35) K. J. Gergen, The Psychology of Behavior Exchange; Addison-Wesley Publishing Company, Reading, Mass., 1969.

36) J. W. Thibaut and H. H. Kelley, The Social Psychology of Groups, John Wiley and Sons, Inc., New York, 1959; H. H. Kelley, "Inter-personal Accommodations"; American Psychologist, 23, 1968, pp. 339-410.

37) M. Deutsch, Theories in Social Psychology; Basic Books, New York, 1965.

38) James G. March and Herbert A. Simon, Organizations; John Wiley and Sons, Inc., New York, 1958.

39) Richard M. Cyert and James G. March, A Behavioral Theory of the Firm; Prentice Hall, Inc., New Jersey, 1963.

40) Herbert A. Simon, Administrative Behavior; The Free Press, New York, 1957.

41) For an extensive review of the subject, see Sven Groennings, E. W. Kelley, and Michael Leiserson, The Study of Coalition Behavior; New York, Holt, Rinehart and Winston, Inc., 1970.

42) See Steven J. Brams and William Riker, "Models of Coalition Formation in Voting Bodies" in James F. Herdon (ed.) Mathematical Application in Political Science, VI, Charlottesville, Va: University of Virginia Press, 1971; Also David H. Koehler, "Coalition Formation and the Legislative Process", a paper presented at the American Political Science Association Convention, Chicago, September, 1971; and Steven J. Brams and John Heilman, "When to Join a Coalition, and with How Many Others Depends On What You Expect The Outcome To Be "; a paper presented at the APSA Convention, Chicago, September, 1971.

43) Rationality has been the subject of much disagreement among theorists. William H. Riker, The Theory of Political Coalitions; New Haven, Conn., Yale University Press, pp. 15-28; J. Buchanan and G. Tullock, The Calculus of Consent; Ann Arbor, University of Michigan Press, 1962, Chapter 4; and A. Downs, An Economic Theory of Democracy; New York, Harper and Row, 1957, pp. 4-11. Each of these authors devote a section of their book to a discussion of the concept of rationality and formulate an essentially economic argument for individual rationality. G. Tullock, The Politics of Bureaucracy; Washington, D. C., Public Affairs Press, 1965, pp. 27-29, distinguishes between "instrumental" and "ultimate" motives of human action. He confines rationality to instrumental actions taken for an ulterior purpose.

44) This tendency is well demonstrated in a series of recent papers:

- 1) Steven J. Brams and William H. Riker, "Models of Coalition Formation in Voting Bodies", op. cit.; 2) Steven J. Brams, "A Cost Benefit Analysis of Coalition Formation in Voting Bodies"; in Richard G. Niemi and Herbert F. Weisberg (eds.), Probability Models of Collective Decision Making; Columbus, Ohio, Charles E. Merrill Publishing Company, 1971;
- 3) Steven J. Brams, "Three Equilibrium Models of Coalition Formation in Voting Bodies"; a paper presented at the Conference on Theories of Collective Behavior, University of Pennsylvania, December 10-11, 1970; and
- 4) Steven J. Brams and G. William Sensiba, "The Win/Share Principle in National Party Conventions", in Donald R. Mathews (ed.), Democracy and Presidential Selection; Washington, D. C., Brookings Institution, (forthcoming), 1972.

45) David H. Koehler, op. cit.

46) Pareto Optimum is a condition of action such that the outcome is preferred by one or more of the members of the group taking the action and is not opposed by any one of the members. See W. Edwards "The Theory of Decisionmaking" in Ward Edwards and Amos Tversky Decision Making; Penguin Books, 1967.

47) See for instance 1) Richard Cyert and James March, A Behavioral Theory of the Firm, op. cit.; 2) Edward C. Banfield, "Ends and Means in Planning"; in Sydney Mailick and E. H. Van Ness (eds.), Concepts and Issues in Administrative Behavior; Englewood Cliffs, N. J., Prentice Hall, 1962; 3) Louis C. Gowthrop, Bureaucratic Behavior in the Executive Branch; The Free Press, New York, 1969; 4) Anthony Downs, Inside Bureaucracy; op. cit., 1967; 5) Francis Rourke, Bureaucracy, Politics, and

Public Policy; Boston, Little Brown, 1969. See also Savoina's recent study which reports that subjects tended to choose those coalition partners they believed to be most likely to honor agreements reached through bargaining. Payoff itself had little effect on their choices. William Zivoina, "The Rational Calculus of Coalition Formation"; Journal of Experimental Politic: Januray, 1971, pp. 87-121.

48) William H. Riker, The Theory of Political Coalitions; New Haven, Yale University Press, 1962.

49) Ibid, p. 47.

50) Ibid, pp. 122-123.

51) Ibid, pp. 28-31.

52) This is not stated directly but emerges from the "pure conflict situation" characterized by zero sum as distinguished from cooperative games (Riker, op. cit., Chapter 2). The "once and for all" opportunity for the winner to gain at the expense of the loser does not reflect the reciprocity so often attributed to the policy formation and especially to the legislative processes.

53) Anthony Downs, An Economic Theory of Democracy; New York, Harper & Row, 1957.

54) See, for example, the just published work by Matthew F. Tuite, Roger K. Chisholm, and Michael Radnor (eds.), Interorganizational Decision-Making, op. cit.

55) William H. Riker, op. cit., p. 170.

56) See Daniel Katz and Robert L. Kahn, op. cit., Chapter 7, for a contemporary exposition of the concept of role as an intra-organizational link between the individual and organizational levels. This exposition builds on the earlier work of Parsons (1951), Merton (1957), and Kahn, et al., (1964).

57) Representative literature includes: a) "The Interorganizational Field as a Focus for Investigation"; Administrative Science Quarterly, XII, December, 1967. b) William M. Evan, "The Organization-Set: Toward a Theory of Interorganizational Relations"; in James D. Thompson (ed.), Approaches to Organizational Design; University of Pittsburgh Press, 1966. c) Charles E. Lindblom, The Policy-Making Process; Prentice-Hall, Inc., Englewood Cliffs, N. J., 1968, pp. 102-103.

58) Charles E. Lindblom, op. cit., p. 102.

59) Ibid., p. 103.

Chapter Six

Search and Evaluation Processes

6A. Chapter Overview

Chapter Six will examine search and evaluation processes, both as they form an integral part of policy formation and as they might usefully be employed in policy analysis and in policy research. Two major areas will be addressed; first, the concept of search, and secondly, the philosophy and methodology of analysis.

In regard to the concept of search, the forces which either encourage or discourage search activity will receive particular attention. The search behavior of the policy system will be examined along the following four inter-dependent dimensions: the initiation of search; the scope and duration of search; the extension of search; and the utilization of alternatives generated by search activity.

Attention will be devoted to the topic of philosophy and methodology of analysis because search and evaluation processes are thought to be, at least in part, guided by some underlying philosophy of analysis, and limited by the state-of-the-art of the existing analytical methodology. Rather than attempting to formulate a specific definition of a philosophy and methodology of analysis, the approach here will be to briefly examine several analytical concepts which may represent useful dimensions along which to conduct policy analysis and policy research. Specific attention will be devoted to the following concepts: 1) explication of values, assumptions, etc.; 2) operationality of policy goals; 3) learning feedback; 4) main inter-connections with other issues and systems; 5) transformability of analytical outputs into policy inputs; 6) redundancy of analysis.

6B. The Concept of Search

The concept of search is an essential thread in the theoretical fabric which supports the process of policy formation. Of particular interest from a policy formation perspective are the forces which encourage or discourage search activity. These forces will be examined by focusing attention on the nature and scope of the search processes utilized in pre-choice analysis as a means of generating a spectrum of policy alternatives for evaluation and ultimate choice. The notion that this dimension is worthy of attention rests on the implicit assumption that an attempt to generate a multiplicity of policy alternatives will usually enrich the policy formation process. For a lucid discussion of the potential contribution of multiple alternatives to policy making, see the work of Alexander George.⁽¹⁾ In addition to the somewhat normative arguments advanced by George, the value of searching for multiple policy alternatives is central to the rationale underlying systems analysis, operations research, and that related genre of disciplines. It is further rooted in the construct of equifinality advanced in open system theory, and is supported by the theoretical foundation which justify the redundancy of analysis thesis discussed below.

Choice-making is obviously a central aspect of policy formation. Not quite so obvious, perhaps, is the relationship between the range of alternatives utilized to define the universe within which choice-making is exercised, and the nature of policy outputs. It is not the objective of this chapter to experimentally examine the exact nature of that complex relationship. Rather, for present purposes, it will be sufficient to posit that policy choices are at least partly shaped by the perceived

range of alternatives available as input to, or as generated by, the policy formation process. Thus, the main emphasis here is on the search behavior of the policy system. Four interdependent elements of search behavior appear to be most relevant. These are: the initiation of search; the scope and duration of search; the extension of search; and the utilization of alternatives generated by search behavior.

6B1. The Initiation of Search. Although there is a large body of psychological literature dealing with human cognition, learning and decision-making, search processes (and especially search-triggering mechanisms) are given little attention in the decision theory literature. This is probably because most decision oriented literature is grounded in the discipline of economics, resulting in a normative bias and a preoccupation with that discrete behavioral act known as "choosing" or "deciding". From an organization behavior perspective, the most relevant treatment of search behavior is that of Cyert and March⁽²⁾, Anthony Downs⁽³⁾, and March and Simon⁽⁴⁾. The basic contribution of these authors in this regard is their recognition of the fact that search activity is generally not self-initiating, or self-regenerative. Therefore, it must be triggered and maintained by some energetic stimulus. The literature just cited suggests two closely related triggering mechanisms; the existence of a performance gap, (negative feedback), and an escalating aspiration level.

6B1-1. Negative Feedback as a Search Initiation Mechanism. The negative feedback mechanism suggests a static-equilibrium model; that is, it aims to return an outgoing system to its prior steady-state by searching for the proximate cause of an aberration in system behavior -- i.e., a

performance shortfall. Under such a model, there is no incentive to trigger search for alternatives which would make system performance different or better. Indeed, the generation of such alternatives would be dysfunctional in the sense that they might suggest actions which would upset system stability. While the sought after equilibrium may technically be dynamic rather than static, the conservative effect on search behavior may be the same.

Identification of negative feedback as a dominant search initiation mechanism has two important consequences. First, without an operational goal, and/or in the absence of an evaluation and a feedback capability, little or no search will be initiated. Secondly, this suggests that other search mechanisms are operative only under a limited set of special circumstances. Search initiation thus seems to be closely linked to the concept of aspiration level. If a high or escalating aspiration level will not accept equilibrium as a suitable system dynamic, this situation may provide the stimulus for change-oriented or improvement-oriented search. However, as March and Simon argue, search behavior oriented towards program maintenance appears to be much more common and much less costly than does search oriented towards program elaboration, improvement, or innovation. Thus, it is clear that most decision-making literature conceives of search behavior as being problemistic vice opportunistic in nature. This has significant implications not only in terms of understanding search initiation mechanisms, but also in regard to the scope and duration of search.

6B2. Scope and Duration of Search. Once search has been initiated, the scope and duration of search behavior becomes of primary importance.

Prevailing models of search process may be arrayed along a continuum, ranging from the classical economic maximizing model at one extreme, to Simon's satisficing model at the other. As ideal types, these polar cases are useful conceptual devices for explaining the scope and duration of search behavior. However, as is frequently the case, some mid-point on such a continuum would seem to represent a more useful basis for an explanatory cum prescriptive theory of search behavior.

At such a mid-point, we find models such as those advanced by Hitch and McKean⁽⁵⁾, and Ackoff⁽⁶⁾. These so-called economically rational models suggest that the scope and duration of search are determined neither by maximizing nor by satisficing. Rather, they posit that the search for alternatives will extend only so far and will continue only so long as the marginal benefits of doing so exceed the marginal (opportunity) costs. While such a model displays conceptual elegance, its usefulness for students of the policy process is limited by an inability to operationalize its basic concepts. A major difficulty in this regard is the well recognized, but still unresolved, group of problems stemming from our inability to either meaningfully compare or to aggregate the multi-dimensional utilities and intransitive preferences of individual decision-makers.

An even more formidable cluster of problems arises from the fact that for the novel and innovative alternatives hopefully to be generated from extensive search activity, both marginal cost and marginal payoff become extremely difficult to identify and to measure with any reasonable degree of precision. Thus, the marginal cost/benefit model becomes tautological in that range where it is needed the most, and the value

of "knowing" that search will continue only so long as it is useful, becomes dubious at best.

The concept of aspiration level appears to be useful in explaining not only the initiation of search, but also its scope and duration. Level of aspiration can be translated into application of either a maximizing or a satisficing criterion to govern search activity. Thus, in a satisficing mode, search will extend only so far and continue only so long as it takes to identify an apparently acceptable alternative. It seems plausible to hypothesize that a similar phenomenon occurs at the organizational level. This is, of course, the Cyert and March (7) finding regarding proximate search. What it ignores, however, is the effect of any inducement to extend search.

There is little serious empirical support for the hypothesis that organizations (or individuals) can or do engage in either pure maximizing or pure satisficing behavior. Thus, this dichotomy is of limited value in understanding actual search behavior, and is of even less value as a basis for building predictive models. Furthermore, a great deal of the maximizing/satisficing debate is quite specious. More important is Whitehead's observation that:

"The real question is not whether we want to optimize, or even if we should try, but to find ways of simplification of complex reality which will produce as good a decision as we are able to make within these limitations." (8)

In its extreme form, the maximizing model has few defenders, even among enlightened economists. When Simon originally formulated his concept of "satisficing" (over 25 years ago) as an alternative to the maximizing model, his was a creative and useful contribution. However,

since that time, most economists have moved in the direction of:

1) explicit recognition of the simplifying assumptions and limitations inherent in their original concept of rational economic man; 2) acceptance of the cost of search concept; and 3) recognition of the descriptive validity of the satisficing model. The ironical situation is that as economists have tended to become more "realistic" regarding behavioral assumptions, students of organization behavior have tended to become as rigid in their tacit acceptance of "satisficing" as a core assumption in the discipline as were the early economists who staunchly defended rational economic man.

The relatively low level of existing knowledge about search behavior is in part due to the "either/or" stance of economists and behaviorists alike. Another barrier in the road toward improved understanding of search behavior is the persistent confusion over the purpose, usefulness, and limitations of various models, concepts, and partial theories. Criticism of descriptive models, because they lack predictive power is no more useful than is criticism of the lack of behavioral reality in many prescriptive models.

The test of the assumptions underlying behavioral explanations should not be how realistic they are, but how well they can cope with the problems they were meant to explore. Despite the growing consensus that some models of rational action are not as "realistic" as some alternative behavioral models, realism is not a sufficient or necessary criterion for distinguishing between "acceptable" and "unacceptable" models. In his recent book, Allison⁽⁹⁾ convincingly attacks "reality" as a necessary or desirable criterion for judging the relative worth of seemingly competing

explanatory models. His incisive work is an extension of earlier work by Friedman⁽¹⁰⁾ and Machlup⁽¹¹⁾ who argue that the realism of the assumptions underlying various economic models is not a meaningful issue.

Allison demonstrates the fact that assumptions which may be considered gross simplifications by the behavioral student are often good enough for explaining and predicting broader phenomena and for suggesting new problems and hypotheses on the macro level.

Perhaps an even greater contribution in Allison's work is his contention that the most useful understanding of macro level behavioral patterns is that which results from the analysis of behavioral phenomena through explicit application of several different models, based on varying assumptions about an only partially understood reality. This position extends Webb's⁽¹²⁾ suggestion that despite the inherent weaknesses of existing methodology, research on complex phenomena can proceed through application of a number of different methodological approaches to the same phenomenon. This approach generates several different "fixes", and thus compensates for the limitations and biases of individual approaches.

Although there is ample evidence to confirm the reality that very few organizations engage in maximizing behavior as a natural or normal mode of search, this situation does not justify the growing tacit and total acceptance of the Lindblom thesis that incremental search is at once descriptive and prescriptive.⁽¹³⁾ Lindblom argues that incremental search is both efficient and effective. It may be worthwhile to observe that while it is undeniable that proximate search is extremely widespread, there continues to be notable exceptions to this pattern which are at least worthy of further study. Lindblom,⁽¹⁴⁾ as well as March and Simon⁽¹⁵⁾

and Cyert and March,⁽¹⁶⁾ all tend to ignore variables such as missionary zeal, strong ideological commitment, and idealized value systems, which have encouraged or driven individuals and organizations to actively search for new and creative alternatives. These deviations from the incremental search norm, when operating at the macro-policy level, may so drastically affect policy formulation as to suggest potential advantages to an induced expansion of the scope and duration of search activity, thereby extending the range of policy alternatives.

6B3. The Impact of Crisis on Search Behavior. The pressures created by a crisis situation may be considered to be an extreme case of negative feedback. It is important to examine the possible effects of crisis on search behavior. In a crisis situation, a consensus may quickly emerge among policy actors regarding the desirability or necessity to, "do something". Furthermore, response time is usually a critical factor. These perceived imperatives for rapid action may preclude adequate examination of the cost and risks associated with any particular alternative, and may foreclose on the opportunity to seriously search for other alternatives. President Truman's rapid response to the invasion of South Korea⁽¹⁷⁾ and President Johnson's decision to land U. S. troops in the Dominican Republic⁽¹⁸⁾ represent classic examples of this phenomenon.

At the level of the individual decision-maker, psychological research has revealed a tendency for individuals to experience "cognitive rigidity" when exposed to stress. One consequence of this mental closure is an inability to recognize alternative means of coping with the problem at hand.⁽¹⁹⁾ Other psychological experiments, such as those reported by

Robinson, et al., have shown that "under crisis, both the search for alternative courses of action and the actual number of such alternatives considered by the political decision-maker are reduced." These researchers did recognize, however, that earlier experiments have shown that, ". . . moderate stress produces creative decision-making including search, and induces more search and innovation than either the absence of stress or the presence of intensive stress."⁽²⁰⁾ These findings are consistent with the work of H. Wilensky⁽²¹⁾ and O. R. Holsti,⁽²²⁾ who have suggested that crisis forces may generate or harness energy not normally released.

The applicability of psychological research findings to higher level social systems remains an open question. However, at least some scholars contend that such individual behavioral pathologies as cognitive rigidity and premature search closure can also afflict formal organizations. Rokeach, et al., for example, demonstrate a relationship between threat and the degree of organizational dogmatism.⁽²³⁾ It becomes clear, then that any serious analysis of search behavior must be grounded in an awareness of the behavioral implications of the presence of crisis-related variables.*

6B4. The Impact of Coalition Behavior on Policy Alternative Search

Patterns. The need to form and maintain coalitions may have a considerable impact on the scope and duration of policy alternative search patterns by setting some limits on the degree of explicitness and on the operability of policy goals. The imperatives of coalition needs may require

* For an elaboration of the concept of crisis, see Chapter 7.

that some sensitive alternatives be excluded from serious consideration. However, within these limits, policy actors retain, in many circumstances, considerable freedom of choice regarding alternative search patterns. The scope of this discretion depends on variables such as: (a) how many different coalitions might be formed from various potential actors; (b) how well the actors can "sell" policies to potential coalition members, without respect to what the specific policy is about; (c) how strong the forces are which maintain coalitions even when certain members of the coalition oppose some specific policies; and (d) how much the actors can buy support by means of inducements that do not depend directly on the policies in question.

6B5. The Extension of Search Behavior. At this stage, it seems reasonable to conclude that, largely because of the as yet unexplicated costs (and potential benefits), search behavior has been dominated by the proximate mode. In recognition of the conservative and non-self-regenerative nature of organizational search behavior, March and Simon implicitly characterize the search process as a type of stimulus-response behavior. (24) While this (perhaps unintended) characterization suffers from most of the shortcomings which led to the demise of the early behaviorist (stimulus-response) school in psychology, it is useful for the purpose of focusing needed attention on the question of how more extensive search behavior might be encouraged and even institutionalized. Beyond recognizing that since there are costs associated with all search activity, and that, therefore, an explicit investment of resources would be required in order to encourage extensive search behavior, the full answer to that question lies outside the scope of this paper. One relevant

mechanism for encouraging greater breadth and depth of search is the use of analysis. The author's theorizing and research suggest that perhaps the most important contribution of analysis to policy formulation lies in its potential ability to encourage and strengthen search behavior by:

- 1) pointing out (if necessary) the inappropriateness of "obvious" alternatives; especially in cases where such obvious alternatives mask the fact that, "the king is naked".
- 2) extending the range of alternatives so as to include some low probability (or even counter factual) ones, thereby permitting policymakers to select an alternative best approximating their subjective judgment over all issues which are value-laden. This does not imply that this subjective value judgment cannot be affected by analysis. (This issue is more thoroughly discussed in the section dealing with value explication.)
- 3) encouraging reformulation of the problem, and thereby opening the system to innovative alternatives.

Of course, there are significant limitations on the ability of any analysis to facilitate and strengthen search activity. This is especially true when search must extend beyond easily recognizable alternatives in an attempt to generate new ones. It may well be that different modes of thinking, different intellectual capacities, and a differing technology are required for these two tasks. The role of analysis, including these limitations, is explored in the work of Dolenga.⁽²⁵⁾

On the surface, it might appear that there are circumstances, under which it is neither desirable nor necessary to encourage search activity. Frequently, for example, specific alternatives are strongly advocated by

vocal proponents. In these cases, one might assume that the proposed alternatives could be treated as given and that, therefore further search activity is unnecessary. In other cases, crisis generated pressures may propel certain obvious alternatives to the forefront. However, in both situations, the extension of search efforts may still be quite important as a means of encouraging articulation of certain alternatives which may lack vociferous advocates, and as a means of moderating precipitous action which might result from too ready acceptance of "given" or "obvious" alternatives.

6B6. Utilization of Search Output. An important converse problem arises when a viable policy alternative is strongly advocated by certain spokesmen, but that alternative is not perceived as relevant or legitimate by the policy system. Thus, any useful analysis of the search behavior employed to generate policy alternatives should give explicit recognition to the fact that the output of the search process (i.e., more and better alternatives) may or may not be accepted and utilized by the policy system. This fact once again underscores the strong inter-relatedness of the various dimensions of the conceptual framework for analysis. For example, in policy analysis and research it is not enough to merely identify the existence of a search (or other) capability, because its existence by no means insures its utilization. Furthermore, even if a sophisticated search capability does exist and is utilized, the output of the search processes may be modified, ignored, or rejected by the policy system; sometimes for reasons which are quite rational and legitimate from the point of view of the policymaker, even though an analyst who conducted the search (analysis) may not concur.

6B7. Search as a Tool of Problem Reformulation. Before concluding, it should be emphasized that throughout the preceding discussion of the concept of search, the "search for alternatives" is not intended to be constrained to be a search for new solutions to old problems. Indeed, much of the value of expanding the scope, depth, and duration of search activity may well lie in the discovery, creation, or recognition of a fundamental reformulation of the problem. (26)

This Chapter has focused on the search for multiple and creative alternatives because of the fact that policy choice necessitates the availability of meaningful alternatives from which to choose. However, it should be noted that search can and should be employed for other purposes, such as: 1) an accurate assessment of reality as a basis for action; 2) the exploration of various policy dimensions such as policy feasibility; 3) recognition of an opportunity/necessity for a decision--i.e., engagement of the policy system. For further amplification of these multiple purposes of search (and analysis more broadly defined) see the work of Dolenga. (27)

6C. Philosophy and Methodology of Analysis

Search and evaluation processes are, at least in part, guided by an underlying (explicit or implicit) philosophy of analysis, and are, of course, limited by the state-of-the-art of the analytical methodology available for application to policy analysis and policy research. For purposes of this study, it is necessary to conceptualize both a philosophy, and the supporting methodology, in a broad, policy-relevant frame of reference. That is, analysis (which is here considered to be a convenient label to capture the broad-scope search and evaluation processes

which are the subject of this chapter) should not be thought of as being limited to any single approach, methodology, or set of techniques. In particular, analysis should not be equated with or constrained by quantitative methods. All of these are, of course, necessary components of analysis, but no one is alone sufficient.

This author's initial thinking about a philosophy and methodology of analysis was influenced by a long-standing relationship with Professor Yehezhel Dror of Hebrew University. However, based on extensive experience in various positions in the Israeli Government,* coupled with the experience of doctoral studies in the Graduate School of Management at Northwestern University, this early thinking has been extended and refined. In addition, field work conducted in connection with study has served to further elaborate and test initial thoughts about this subject. Even at this stage, this author must agree with Dror's recent observation that "any set of policy analysis concepts is of provisional utility and sure to need early revision." (28)

In the previously cited work of Dolenga,⁽²⁹⁾ the concept of analysis is extensively treated in a manner which is fully compatible with the conceptual framework for analysis developed in this study. Indeed, Dolenga's work could readily be integrated into this framework because he deals with a broad, policy-relevant concept of analysis and examines the role and impact of analytical inputs on the policy formation process. The reader seriously interested in the study of policy formation is urged to review Dolenga's complementary work in conjunction with this study.

Rather than attempting to formulate any specific definition of a

*See Vita, p.

philosophy and methodology of analysis for application to search and evaluation processes which influence policy formation, the approach here will be to briefly examine a number of analytical concepts which are included in the conceptual framework being developed herein because they are potentially very useful dimensions along which to conduct policy analysis and policy research. The following concepts will be treated in subsequent sections of this chapter:

- Explication of Values, Assumptions, etc.
- Operationality of Policy Goals.
- Learning Feedback.
- Main Inter-Connections with Other Issues and Systems.
- Transformability of Analytical Outputs Into Policy Inputs.
- Planned Redundancy of Analysis.

6C1. Explication of Assumptions and Values. The reasons for examining the degree of explication of values, assumptions, tacit theories and ideologies in analysis are both moral and functional. Morally, policy formation involves choice and every choice involves some value judgment. Clearly the invocation of value judgment is a legitimate political function, but since value judgments have a significant extra-scientific component, there are no objective criteria by which to "judge the judgment". As Vickers has noted, judgment is an art and its exercise represents an ultimate category which can only be approved or condemned by a further exercise of the same ability.⁽³⁰⁾ The explication of values, assumptions, etc., underlying judgments reached by policy-makers serves to at least facilitate understanding by the members of a pluralistic society. Functionally, the nonexplication of values and assumptions

may impair the utility of an analysis as a heuristic aid in policy formation. Even a brief look at many analytical studies will reveal that the hidden value judgments and assumptions implied in many of them strongly affected both the conduct and the output of such studies.

The potential importance of bringing hidden assumptions (which may be critical for a given policy) out into the open, lies in the fact that ideological values, "operational codes"⁽³¹⁾ "prototype images"⁽³²⁾, and other tacit theories that can be roughly labelled under Simon's "decisional premises"⁽³³⁾ may, in some cases, be so strong and unquestioned among analysts and policy makers as to dominate their decisions.⁽³⁴⁾

In situations in which the composition of the policy formation group is such that decisional premises are not uniformly held among policy actors, the process of policy formation itself may be of some significant importance if it succeeds in bringing decisional premises and initial perceptions under introspection before policy premises are solidified behind one policy option. This is one of the stages of the policy formation process where the role of analysis in policy formation may be of crucial importance, if expertly handled. The potential advantages to result from the explication of values and assumptions as mechanisms in policy formation is a topic nearly ignored in organization theory literature.

In policy systems, the main barriers noted in the literature,⁽³⁵⁾ which hinder and often prevent the explication of values, underlying goals, assumptions, etc. are usually associated with the requirements of consensus building and coalition formation and maintenance (See Chapter Five). Consensus building and coalition maintenance between different

actors with diverse points of view depends on some repression and ignorance of alternatives and even more on an intentional non-expli-cation of underlying assumptions and values.

It is important to introduce at this point a caution against unre-stricted value explications. In some cases, value explication may have negative consequences as a result of ignoring essential political realities. The fact that most available behavioral studies have pointed out that we are far off from the point of "diminishing utility" of additional value related to the explication of values and assumptions is no reason to ignore the existence of a point of diminishing utility or even negative utility. (36)

This element is included in the conceptual framework in order to call attention to the need to apply analytical methods to assess the degree of explication of various values, assumptions, theories and ideol-ogies in various phases of the policy formation process.

6C2. Operationality of Policy Goals. Clearly, search and evaluation processes are closely related to the policy goals implicitly or explicit-ly held by the main policy actors. Beyond this axiomatic observation, it is suggested that the degree of operationality of policy goals may have a significant influence on the policy formation process. Therefore, in this section, the focus is on the degree to which operational goals were elaborated in various phases of the policy formation process so as to be specific enough to provide a meaningful guide for action and post evaluation. The concept of goal operationality and its importance as a tool for action and evaluation is discussed by Simon, (37) Rosner (38), Pelz and Andrews, (39) Rubenstein, (40) and is treated in most of the systems

analysis and planning literature.

Three main problem clusters, which are not equally treated in the literature, and which might impose certain restrictions on the capability and desirability of operationalizing policy goals in specific instances, can be identified:

1) The first problem cluster is related to the formulation of operational goals. Although this problem exists in an intra-organizational context, it becomes much more difficult when moving into an inter-organizational context. The difficulty is that the non-formulation of operational goals may have some advantages for coalition management and consensus building. Therefore, it is incorrect to assume that "the more goals are operationalized . . . the better always". This is not the case, even though the importance of operationalization of policy goals is nearly universally accepted in the literature. This caveat is completely ignored in most of the planning and systems analysis literature and is sometimes overemphasized by the more behaviorally-oriented students of organizations.

2) The second problem cluster is related to goal expectations. Formulation of operational policy goals involves formalization of expectations. Even if such expectations are formulated in stochastic terms, they can serve as criteria for evaluation of policy outputs. This may hinder the tendencies of policy actors towards post-decisional dissonance (the presentation as a goal of whatever is achieved), and may lead to formulation of easily achievable "operational goals" as a self-defense mechanism. These problems, while generally recognized, have received insufficient attention in the behavioral research and literature, mainly

because of an apparent lack of interest in prescriptive policy-oriented research.

3) The third problem cluster is related to the serious difficulty of translating sometimes very abstract and symbolic policy goals into operational terms.⁽⁴¹⁾ Some (but not all) policy goals may defy not only quantification, but even conceptualization. Nevertheless, the process of developing operational criteria for a set of complex goals has been shown to be theoretically and empirically possible by Maglin, Maas, Wilson, Prest and Turvey, Rothblatt and many others.⁽⁴²⁾

The above problem areas, in combination, may explain the normal lack of attention paid to the operationalization of goals in many policy formation instances. This in turn, seriously hinders any attempts at policy achievement evaluation. In contrast, formulation of operational goals may often serve as an important instrument to facilitate recruitment of public support in order to obtain the necessary political and economic resource. This aspect tends to be ignored by the most of the literature. Available research clearly points out that in conditions of war, crisis, etc., the formulation of operational goals is not only desirable, but is relatively easier to achieve. Issues requiring empirical study include; the consequences and implications of such "crisis-induced" operationalization, and ways in which a high degree of operationalization might be achieved under "normal" circumstances.

6C3. The Degree of Learning Feedback from Prior Policies. Feedback as an aid to decision-making has been given its most precise formulation by those who have followed Wiener's lead in trying to describe social processes generally as cybernetic networks.⁽⁴³⁾ Two basic kinds of feedback may

be differentiated; goal seeking, the feedback of new external data into a net whose operating channels remain unchanged; and, learning, the feedback of external data which change these operating channels themselves. (44) Thus, feedback serves two purposes: 1) finding out whether discrete policies need to be revised during implementation; and, 2) enabling the policy formation system to "learn" from prior experience. However, we must keep in mind that such a distinction as to purpose is more for analytical convenience than for description. Because of the continuous and iterative character of policy formation and organizational learning, such a distinction is only roughly approximated in reality. (45)

The first type of feedback would involve adjusting the choice between implementation of alternative courses of action in order to more fully realize the original policy intentions, and, as such, is beyond the scope of this study which focuses on the pre-implementation phases of the policy process. Therefore, here we are focusing primarily on learning feedback; namely, the degree of engagement in systematic study of relevant prior policies and policy outcomes and the continuous input of the results of any such analysis into current policy formation.

This would be too obvious a requirement to deserve more than *pro forma* notice were it not for the relatively well documented evidence of a lack of sensitivity to this dimension even when learning feedback data was available and was embodied in easy to identify form. In other instances, even though past policies have been studied, there is little indication that such study was then translated into operative conclusions which could serve as input to an ongoing policy formation process.

However, despite the seemingly self-evident values to obtain from explicit incorporation of learning feedback into an ongoing policy

formation cycle, the concomitant danger exists that an over-dependency on learning feedback could create or perpetuate such dominant historical constraints as to hinder recognition of articulation of innovative alternatives. Thus, the inclusion of this item in the conceptual framework is intended to focus attention not only on the existence (or lack of) of the use of learning feedback, but also on the scope and intensity of its use. In a normative sense, a fine balance best describes the optimum influence of learning feedback. Its application must, of course, be contextually and situationally tailored to meet specific policy formation needs.

6C4. Main Interconnections With Other Policy Issues and Policy Systems.

The desirability of identifying connections between particular policies and related issues and systems has a strong theoretical and pragmatic grounding in the concepts underlying general systems theory, (46) systems analysis (47) and related disciplines. Sir Geoffrey Vicker's (48) observation is instructive in this regard:

"Those who are engaged in a course of decision-making soon become aware that each decision is conditioned not only by the concrete situation in which it is taken but also by the sequence of past decisions; and that their new decisions in their turn will influence future decision. . . " (p. 15)

The unfixed, open, and undefined boundaries of many of the complex policy formation issues require some exploration and identification of cross-impact interdependencies between the specific policy under investigation and other potential related issues and systems. Also, the fragmented structure of much of the policy formation system makes all the more necessary the identification of variables endogenous to a specific

policy, and also variables which are exogenous to a specific policy, but which influence that policy through cross-impact.

More specifically, the identification of main interdependencies is essential for policy systems delimitation,* i.e., a determination of the boundaries within which the policy is to be confined. In other words, what is the domain of issues and institutions to be treated in analysis and to be considered by the policy actors as appropriate objects of discrete policy formation? No less important a question and one also involving boundary issues is, within what domain did the policy actors look for relevant policy consequences? Related questions are, what was regarded by actors as first order consequences, as second order consequences, etc.?

System delimitation is one of the most important strategic decisions in every policy formation because it shapes the whole policy space. Theoretically, the possibilities for formulating and delineating the policy issue range between two extremes: on the one hand, the issue can be formulated narrowly, neglecting the interdependencies between various policy system variables. This may be convenient when we are speaking about broad policy issues, then a narrow restriction in policy boundary delineation may assure, in advance, that policy formation may be impaired as a result of ignoring some of the basic characteristics of the system under investigation. On the other hand, it is unavoidably true that every problem posed for decision must be delimited in such a way as to render it susceptible to analysis within the constraints posed by limited understanding and scarce resources.

* See Chapter Three for a discussion of systems delimitation as a strategic decision issue.

The few available behavioral studies of policy formation clearly point out that a lack of attention to this dimension often results in ill-considered, over-atomized, and truncated policy reform attempts which tend to be ineffective.⁽⁴⁹⁾ Nonetheless, it is important to recognize that although the identification of such inter-connections is essential, it is by no means easily accomplished. Although systems theory and ecological science has made us aware of the high degree of inter-relatedness among components of natural systems, in an organizational context, little has been offered to ameliorate the extreme difficulty of operationally dealing with this "inter-connectedness of all things." The problem is all the more difficult because of the existence of a set of barriers, both general and specific.

Broadly speaking, three main clusters of barriers which tend to inhibit operational consideration of cross-impact and interrelatedness can be identified. These are: 1) Cognitive limitations of human analysts and decision-making, 2) Behavioral barriers, and 3) Methodological barriers and the absence of reliable theory. Let us briefly examine each of these three main clusters of barriers.

1) Cognitive Limitations. The cognitive limitations of human analysts and decision-makers, and the costly resources needed to at least partially overcome these, are discussed extensively in the literature by Simon,⁽⁵⁰⁾ Cyert and March,⁽⁵¹⁾ Lindblom,⁽⁵²⁾ and others. These well-known works will not be repeated here. However, what should not be overlooked is the fact that, despite the general usefulness of such literature, a major shortcoming of these authors is that they have confused or at least intermingled diverse phenomena deriving from relatively fixed cognitive

limitations on the one hand, and from behavioral barriers (interpersonal interactions, vested interests, human inertia, etc.) that are more susceptible to directed change, on the other hand.

2) Behavioral Barriers. In many concrete situations, the failure or seeming inability to deal with main inter-connections of issues and systems is at least partly inspired by very prosaic and less "objective" reasons. These include factors such as, the general inertia of individuals and organizations, tendencies toward conflict avoidance, vested interests in parochial aspects of broad policy issues, etc. These barriers are relatively more susceptible to conscious improvement through efforts directed at change. This underscores the necessity to distinguish between relatively fixed underlying characteristics and nominal behavior patterns that can be modified.

3) Methodological Barriers and the Absence of Reliable Theory. The third cluster of barriers involves methodological difficulties; namely, a scarcity of methods for identifying, elaborating, and dealing with cross-impact interdependencies. Compounding these methodological problems are the added complexities of the absence of reliable theory and the existence of a large number of dynamic variables, about which reliable predictions are often impossible. Insofar as the absence of theory, General Systems Theory has made us conscious of the interrelatedness phenomena. However, the theory has provided us with very few guidelines or operational tools to use in specifically describing and dealing with interrelatedness. More difficult from a policy formation perspective is the near total lack of tools and methods for predicting consequences and cross-impact relations between potential policy alternatives. However,

some promising efforts in this direction are underway, and some limited capability for the identification of interrelatedness exists and can be utilized even in this primitive stage of the state-of-the-art. (53)

Although progress is slowly being made along both theoretical and methodological lines, even the newer capabilities are only partial, at best. Yet, in the absence of an ability to determine causal relationships, even a partial and tentative analysis of inter-relatedness may have some valuable pay off, given the existing lack of understanding of many complex policy issues.

One emerging approach is the mapping of some possible interconnections with condition sensitivity review, as suggested by Churchman and Shainblatt. (54) Alternatively, identification of some links between present and future, and even "speculative thinking", may improve the quality of policy by sensitizing policy actors to additional and previously unrecognized dimensions of policy. (55) This is especially important, because of the not uncommon organizational tendency to ignore uncertainty, to repress ambiguity, and to create the impression that one knows what one is doing. Therefore, in respect to some policy variables, focusing on potential null hypotheses may be very important. Furthermore even without efforts to influence some policy variables, because of a lack of knowledge of the probable direction of cross-impact, there exists an opportunity to carefully "monitor" some variables in order to create a capacity "to adjust to the uncontrollable", as noted by Dror. (56) Finally, it should be recognized that not all policy targets are identical in their complexity, or in their time perspectives. Therefore, for some policy variables, the nature and direction of possible

interrelatedness may be quite visible (and thereby susceptible to control) even with a minimum of focused search and evaluation effort.

The preceding discussion attempts to provide the intellectual and empirical justification for including an assessment of the degree of search and identification of inter-connection in the conceptual framework. However, a note of caution is in order. Because the relationships that are relevant to many broad policy issues are often so numerous and so complex, we cannot, at this stage, hope to understand completely the full range of possible permutations. This means that the interrelatedness we are addressing is really the perceived interrelatedness at a point in time. It is not surprising, then, when a breakthrough is made to illuminate a new perception of interrelatedness, new policy instruments fairly readily emerge and can be put into use in policy analysis which is aimed at the identification of the main inter-connections between issues and systems.

6C5. Transformability of Analytical Outputs Into Policy Inputs. While discussing possible improvements in the communications systems of large organizations, Katz and Kahn highlight the necessity for ". . . the perfecting of translation mechanisms. . ." (57) Inclusion of the issue of the transformability of analytical outputs into policy inputs in the framework is in recognition of the value of examining the operation of such mechanisms in an ongoing policy process. In a broad sense, the transformability issue can be conceptualized as the area of interface between analysis and policy formation. This is one of the main areas of inquiry dealt with by Dolenga and the interested reader is referred to his work. (58)

The phenomenon of transformability is operative at all levels of the

policy system and in all phases of the policy process.⁽⁵⁹⁾ The fundamental need for application of a "translation mechanism" arises out of the implications implicit in Snow's "two culture" syndrome.⁽⁶⁰⁾ Furthermore, there is ample historical evidence that even competent analytical work has had, in many cases, a limited impact on policy formation. This suggests the possibility that analytical outputs need to somehow be transformed from their "normal" state, into a state which will render them more acceptable to, and efficacious in, the policy system. (Of course, the difficulty does not all lie with the form of analytical outputs or with analysis itself; this aspect is part of dynamic process now being isolated here for purposes of examination and exposition.)

Before proceeding, it must be emphasized that the transformability of analytical outputs into policy inputs is one of the most difficult and complex issues treated in this chapter because it touches upon the basic characteristics of policy formation as a process operating in a system composed of organizations, roles, and human individuals.

In the earlier discussion of policy feasibility (see Chapter 5) it was noted that of the infinite number of potential policy issues, only a very few actually become inputs to the policy formation process. It is hypothesized here that at this broadest level, the transformation of potential policy issues into actual policy issues is significantly influenced by two main cluster variables; policy crisis and policy analysis. Since a concern with this broad conceptualization of transformability permeates the entire study, no attempt will be made to encapsulate all of its ramifications here. Instead, the present, more limited objective of this section is to focus on some features of transformability of

of analytical outputs into policy inputs on a more pragmatic level, including: 1) formats for presentation of analysis; 2) communicability and accessibility to policy makers; and 3) the degree of multiplicity of alternatives presented to policy makers for decision. Each of these features will be examined individually below.

1. Formats for the Presentation of Analysis. The results of analytical studies can be presented with a variety of visual aids, graphic descriptions, issue mapping, and even computer simulation. The form of policy analysis presentation can be adjusted to different audiences ranging from highly professional experts to mass media communication. In all versions, the variance might be in the degree of elaboration and details, while the basic features of analysis are not impaired.

The focus of this section is primarily on policy analysis outputs directed at individual policy actors; namely, senior executives, politicians, union leaders, etc. The concrete needs of formats for the output of analytical studies depend on the characteristics of discrete policy formation systems, and the personal characteristics, habits, and idiosyncrasies of the individual actors occupying such discretionary policy positions.⁽⁶¹⁾ For instance, different policy formation systems may be able to absorb the output of analytical studies at different levels of abstractness and through different channels. This makes it all the more necessary to plan carefully both the channels and the formats which the presentation of analysis will utilize. Thus, studies might be presented on different levels of abstraction, through different channels, utilizing various audio-visual aids and communication media to fit the needs, preferences, and idiosyncrasies of different policy actors.

That the formats for presentation of the results of analytical studies should be easy for policymakers to use is too obvious a requirement to deserve more than pro forma notice. Nonetheless, this requirement requires explicit treatment because of a tacit assumption, widely shared by many analysts that "good" analysis is sure to "reach" policymakers and even to influence policies in the direction they (the analysts) intend. If for no other reason than the fact that analytical inputs are but one of several complex influences on the dynamics of policy formation, it is naive to assume that the results of analytical studies (no matter how high the quality) will "sell themselves."

Thus, this item is included in the conceptual framework in order to encourage examination of the degree to which attention was paid (during policy formation) to the tailoring of formats and channels to the particular circumstances surrounding a discrete policy process.

2. Communicability and Accessibility to Policymakers. A related issue to the question of appropriate policy analysis formats is the problem of languages; namely, the need for a reduction in and unification of the technical jargon which usually proliferates and hardens as a result of the institutionalization and professionalization of an analytical capability. For example, the existence of Snow's previously mentioned "two cultures" syndrome (namely, differences in modes of thinking and operation, in disciplinary base, professional codes, etc., between analysts, and policymakers), might lead to differences in the various languages used by actors and analysts and thus inhibit effective communications. Similarly, Weiner⁽⁶²⁾ has suggested that meta-languages do develop within organizations and professional groups which might be

completely understood only by the professional elite. Therefore, it is very easy to visualize a different "definition of the situation" arising between persons who are used to thinking in terms of differing conceptual and disciplinary frames of reference.⁽⁶³⁾ This again raises the problem, previously discussed, of translation of these different languages for various audiences, i.e., the necessity to plan and to tailor policy formats. These differences in languages might also conceivably affect differently the views and thinking processes of various participants.

March and Simon⁽⁶⁴⁾ and Thayer⁽⁶⁵⁾ have concluded that the more professionalized is organizational activity, the greater would be the differentiation of information between participants. This difference may be expected to increase even more in policy formation situations because of their broad scope and complexity. Both theory and research have shown that both individuals and organizations filter information in relation to their own experience in response to familiarity with the use of symbols used to communicate.⁽⁶⁶⁾ The prevailing language, or meta-language, might be strongly affected by the type of individuals involved.⁽⁶⁷⁾ Katz and Kahn⁽⁶⁸⁾, and Thayer⁽⁶⁹⁾ have suggested that biases often develop within and between professional groups which could cause them to interpret the same information differently. This might be an even more serious problem in policy systems given the inter-disciplinary composition characteristics of such systems.

The research in this area is voluminous and considerable work has been done at Northwestern University,⁽⁷⁰⁾ but if there is one universal recommendation, it is the need for a reduction in and unification of

technical jargon.

Another issue which is related to the communicability dimension emerges from available theory and research. It is associated with the need for sufficient organizational flexibility to prevent monopolization and to permit use of unconventional communication channels and formats and to insure adequate access to policy makers. For example Douds and Rubinstein⁽⁷¹⁾ Thompson⁽⁷²⁾, and Rogers and Shoemaker⁽⁷³⁾ have all pointed out the dysfunctional impact of rigid hierachial organization levels on effective communication. They point out that, if new, novel, or innovative ideas are perceived as disturbances (i.e., as "noise" in the communications network), they tend to be screened out of the stream of upward communication. In related work, Hage and Aiken⁽⁷⁴⁾, and Aiken and Hage,⁽⁷⁵⁾ have demonstrated that the rate of innovation was higher when the degree of centralization, formalization and stratification was low. Similarly, Walton and Dutton⁽⁷⁶⁾ have stressed the importance of maintaining open, flexible, and informal structures of interaction. In another context, Litwin and Stringer⁽⁷⁷⁾ have emphasized the importance of a loose and informal organizational atmosphere for creativity. Similarly, Lawrence and Lorsch⁽⁷⁸⁾ found that departments operating in more uncertain environments had a more flexible organizational structure than did those operating in established, certain environments.

Although most of the research cited above was carried out in business organizations and was focused on relatively low echelons, there is a dearth of similar relevant research in a public policy context. However, it seems reasonable to assume that these research findings have some potential relevance in policy formation systems such as those

of concern here.

The concrete requisites of communication and access depend on the characteristics of discrete policy formation systems. For instance, in different systems, different channels can fulfill different roles in promoting communication and access of analysts to policymakers. Generally acceptable requirements include, the existence of standardized communication and access channels, along with sufficient flexibility to prevent monopolization and to permit unconventional communication and open access to policymakers.

3. The Degree of Multiplicity of Alternatives Presented to the Policymaker for Decision. The final aspect of the topic of transformability is conceptually and pragmatically related to the complexities of the nature of the relationship extant between the policy-maker and the analysts and advisers who are providing inputs into his decision process. There are many aspects to that relationship. Of particular interest here is the set of interactive variables which influence the behavior of the analyst in his decision regarding the multiplicity of alternatives to be presented to the policy-maker for decision.

Policymakers may frequently have an early intuitive feeling or ideological predisposition regarding the general direction in which they would prefer to move vis-a-vis a given policy issue. However, given the scope, complexity, and far-reaching consequences which characterize macro-level policy decisions, policymakers rarely, if ever, act without the advice and counsel of several advisors. Typically, this advice and counsel is based on one or more analytical studies of the issue at hand. The output of such studies may be transmitted directly to the policy-

maker, or it may be filtered through one or more advisors before reaching him. In either situation, an important issue arises regarding the degree of multiplicity of policy alternatives presented to the policymaker as a basis for his selection of an alternative best approximating his subjective judgment over all elements, especially those which are not purely scientific or technical in nature.

The basic justification for including this variable in the framework is that policy formation involves choice and every choice is partly shaped by the range of alternatives presented to the policymaker. It should be recognized that extre-rational factors such as, "intuition", "judgment", and "tacit theories" (subjective images of "what makes the world tick") also play an important, if little understood, role in policy formation.⁽⁷⁹⁾ The importance of bringing some of these processes out into the open for explicit consideration by policy actors has previously been discussed in the section dealing with the topic of explication of values and assumptions (See Section 6C1).

Given that policy formation normally involves choice between alternatives, perhaps the most important potential contribution of analysis to policy-making lies in its capability to broaden the perceived universe of such choice through presentation of multiple alternatives (including some low probability and even counter-factual ones), and through explicit specification of assumptions and contingencies. Management Science and related disciplines are built on the assumption that decision-making is improved by expanding the range of alternatives considered. In political science, George argues convincingly that increasing the range of policy alternatives facing the policy-maker is likely to improve the quality of

the resultant policy.⁽⁸⁰⁾ In a less normative vein, it is suggested here that there is wide agreement among policy scholars that the degree to which alternatives are searched and presented constitutes one indicator of the quality of policy analysis. This is consistent with a pattern of explicit recognition of the costs and benefits involved in searching for multiple alternatives.

There exists evidence that the range of alternatives presented to the policymaker is often smaller than the range which was considered in analysis. Dolenga discusses a number of barriers which may exist in the structure of the relationship between the analyst and the policymaker* which tend to operate so as to create a sometimes significant gap between the range of policy alternatives treated in analysis and the range presented to the policymaker for decision. In his analysis, Dolenga explains that this is not a pre-determined situation, but is one that can be molded by the skillful application of behavioral science knowledge.⁽⁸¹⁾

In any event, it is clear that the degree of multiplicity of policy alternatives presented to the policymaker can have a significant influence on the transformability of analytical outputs into policy inputs. The issue of transformability is included in the conceptual framework so as to focus attention on the degree to which the various dimensions of transformability were considered in the course of policy formation in discrete instances.

Given the existence of barriers which inhibit the presentation of a wide range of policy alternatives to the policymaker, behavioral incentives might be useful in minimizing the dysfunctional consequences

* See Dolenga (1972) for a penetrating examination of several policy relevant aspects of the relationship between analyst, adviser, and decisionmaker.

of such tendencies. At the strategic level, some structural adjustments (system redesign) may be helpful. For example, Churchman⁽⁸²⁾ suggests that "counter-planning" units be established as one means of balancing biases likely to be found in any one analytical group. The implications of this and other structural alternatives are discussed in the following section which addresses the concept of planned redundancy of analysis.

6C6. Planned Redundancy of Analysis. Evaluation of the output of analysis is a critical task of the policymaker. As noted in the preceding section, one action the sophisticated policymaker might take is to so structure the relationship between himself and his analysts as to encourage the presentation of a wide range of policy alternatives for his consideration. Beyond such behavioral restructuring of relationships, a system redesign possibility was noted in Churchman's suggestion to establish counter-planning units. This latter type of planned systemic restructuring is of particular concern here as we examine the concept of redundancy of analysis.

The theory of redundancy⁽⁸³⁾ was originally conceived of in the domain of information science and natural automata (neural networks) but it appears to have wider application, even to policy formation processes.⁽⁸⁴⁾ The basic idea of redundancy as elaborated in cybernetics is one of "multiplexing" (i.e., the establishment of multiple independent lines in parallel). In a policy system, this would mean the creation of a high redundancy of analytical units (or analysis) performing the same functions, and thereby penetrating a threshold level which minimizes or randomizes the mistakes (and biases) likely to be manifested

in a single or by a smaller number of such parallel units (or analyses). To put this in an organization theory context, this is equivalent to the creation of multiple mechanisms for the "absorption of uncertainty". (85)

In what is now a truly classical paper, (86) von Neumann demonstrated one way of reducing uncertainty; namely, by adding "sufficient redundancy". Further development of redundancy theory (87) contains a complicated set of mathematical formulations and it would serve no direct purpose here to dwell upon its complexities in such detail.

For policy purposes, the presence of multiple, independent analyses (or organizational units) may help to assure policymakers of a broad base of advice and may also guard against the danger of a "closed system" with men in power isolated from the potentially healthy effect of criticism and advice from a number of different perspectives.

Experience indicates that any system for policy formation, however well designed, is subject to periodic failures and gross malfunctions. A number of these policy system pathologies or malfunctions have been suggested by Alexander George. (88) In a similar vein, Harold Wilensky has emphasized several factors that encourage chronic pathologies of information and advice. (89) As a result, organizational theorists have increasingly emphasized that the design of machinery and operating procedures for policy formation must take into account human failures, individual and group dynamics, and the organizational pathologies and malfunctions that can occur. Thus, for example, Anthony Downs suggests various strategies for reducing or avoiding distortion in hierachial communication networks within an organization. These include the use of redundant channels, of counter-biases, etc. (90)

The use of multiple information channels (both parallel and redundant) has also been proposed by Guetzkow,⁽⁹¹⁾ Katz and Kahn,⁽⁹²⁾ and Churchman⁽⁹³⁾ Redundancy may increase the aggregate effect of policy analysis on policy formation, while also providing a safeguard against trained incapacities, one-sided value biases, and parochial professional prejudices.

Obviously, there are economic, behavioral, and other costs associated with a decision to intentionally create redundancy just as there are costs associated with all other aspects of search and evaluation procedures. Unfortunately there is no workable algorithm for precisely balancing the relative costs and benefits to be derived from the utilization of redundancy of analysis. At best, the policymaker can be aware of two factors. First, that there are very real costs which result from distortions and errors introduced in the absence of redundancy, and, secondly, given the broad scope of the macro level policies of concern here, the added costs of redundancy may well be more than offset by either minimizing the first type of cost, or as a result of an innovative breakthrough insofar as the creation of novel alternatives or reconceptualizations of old problems.

Of course, there is no quantitative universal standard regarding the redundancy of analysis; multiplicity of analysis is therefore more reliable as a negative indicator insofar as it is absent, than as a positive indicator, when present. Inclusion of this item in the conceptual framework is meant to systematize attention to such indicators and to encourage development of more useful trade-off standards.

Throughout the framework, but especially in this section, the overall aim is to encourage direct, systematic attention on the part of the

policy analyst and policy researcher to an assessment of the patterns of search and evaluation utilized in any particular policy formation situation under study. The objective, of course, is to heighten the knowledge of the analyst or researcher as to how and why a particular policy outcome was reached. That such enlightenment can come from an examination of search and evaluation processes is suggested by Vicker's⁽⁹⁴⁾ description of the process:

"Everyone with experience of decision making knows that the more closely we explore alternative courses of action, the more clearly we become aware of limitations of various kinds which restrict the courses open to us. Sometimes decision making proves to be no more than the painful process of discovering that there is only one thing to do or even "nothing to be done". On the other hand, experience also recognizes situations in which the decision maker can in some degree impose a pattern on the future course of affairs, rather than merely responding to its demands. . ." (p. 14)

6D. Chapter Summary

The primary objective of Chapter Six was to examine search and evaluation processes as they form an integral part of policy formation, and as they can potentially be usefully employed in policy analysis and in policy research. Two major areas were addressed; first, the concept of search and, secondly, the philosophy and methodology of analysis.

6D1. The Concept of Search. The concept of search was suggested as the principal mechanism for generating a range of policy alternatives which could form the basis for ultimate choice by the policymaker. This emphasis represented a shift in focus away from a preoccupation with "choosing", and instead directed attention to the processes which create and delimit both the size and nature of the universe of alternatives within which choice is finally exercised. The forces which either encourage or discourage search activity received particular attention.

The search behavior of the policy system was examined along the following four interdependent dimensions: the initiation of search; the scope and duration of search; the extension of search; and the utilization of policy alternatives generated by search activity.

Negative feedback (i.e., performance shortfall) was seen to be a dominant search initiation mechanism. Search initiation was also seen to be closely linked to the concept of aspiration level. It was noted that most decision-making literature conceptualizes search behavior as being largely problemistic rather than opportunistic in nature. The concept of aspiration level was shown to be useful for explaining not only the initiation of search, but also its scope and duration. In this context, aspiration level was translated into a search mode; i.e., satisficing, or maximizing. As pure types, both of these models were rejected for lack of explanatory power. Although proximate, satisficing-type search behavior was acknowledged as being widespread, this fact was not accepted as sufficient grounds to justify the growing acceptance of the Lindblom incremental search model as being at once descriptive and prescriptive. We saw that Lindblom, and others, tends to ignore variables such as missionary zeal and strong ideological commitment which sometimes result in aggressive search for new and creative policy alternatives.

The extension of search activity was seen to be an often desirable, but usually expensive, undertaking which cannot be evaluated, *a priori*, in terms of return-on-investment criteria. The non-self-regenerative nature of search, and its energy consuming nature, were noted as the basis for difficult trade-off decisions facing the policymaker.

Although it was recognized that the existence of partisan advocates seems to obviate the need for extensive search activity, it was shown that the institutionalized extension of search efforts may still be very important during policy formation, as a means of encouraging the articulation of unrecognized or unfavorable alternatives, and as a means of moderating precipitous action which might result from too ready acceptance of "given" or "obvious" policy alternatives.

In terms of the utilization of search output, it was pointed out that even if a sophisticated search capability exists and is utilized, the output of the search processes may still be modified, ignored or rejected by the policy system for numerous technical and behavioral reasons.

Although this chapter emphasized search as a means of generating multiple and creative policy alternatives, it was pointed out that search activity plays several different, but related, roles in the policy formation process, including: problem reformulation; the assessment of reality; the exploration of various policy inputs; and the engagement of the policy system.

6D2. The Philosophy and Methodology of Analysis. Chapter Six underscored the motivational influences of an underlying philosophy of analysis. The need for a broad conceptualization of a philosophy of analysis was pointed out, as was the realistic necessity to consider any set of policy analysis concepts in a very tentative manner, subject to conceptual refinements and empirical testing.

The methodology of analysis was explored in terms of the following policy-relevant dimensions: 1) the explication of values, assumptions,

etc.; 2) the operationality of policy goals; 3) learning feedback; 4) main inter-connections with other issues and systems; 5) transformability of analytical outputs into policy inputs; 6) planned redundancy of analysis. It was shown that examination of any discrete policy formation process along these dimensions could yield considerable insight into the dynamics of that process.

More specifically, it was pointed out in this chapter that the importance of explicating underlying values, assumptions, premises, tacit theories, etc., lies in the fact that these "decisional premises" may, in some cases, be so strong and unquestioned (among analysts and policymakers alike) as to dominate their decisions. Thus, explication may not only facilitate understanding on the part of "outsiders", but perhaps more importantly, it may also serve to sharpen the judgment of those intimately involved in the policy formation process.

The discussion of the operationalization of policy goals highlighted the potential value of a high degree of operationalization in terms of providing a guide for action and a criterion for evaluation, and for support recruitment. On the other hand, we saw that there exist a number of problems which might limit the desirability and capability of operationalizing policy goals in specific instances.

Learning feedback was defined as the degree of engagement in systematic study of relevant prior policies and policy outcomes and the continuous input of the results of any such analysis into current policy formation. We learned that despite the self-evident values to obtain from explicit incorporation of learning feedback into an ongoing policy formation process, this appears to be a frequently overlooked or

inexpertly handled variable.

The difficulties often closely related to a failure to identify the main interconnections with other issues and systems was contrasted with the severe problems inherent in operationally dealing with the frequently high degree of system and issue inter-relatedness often found in policy systems. Dealing with perceived inter-relatedness at a point in time was suggested as one useful interim approach, pending the emergence of new and more powerful policy instruments.

The necessity to transform analytical outputs into policy inputs was discussed. It was noted that this need exists at all levels of the policy system. In this chapter, the focus was on a pragmatic level, including a concern for: 1) formats for presentation of analysis; 2) communicability with and access to policymakers; and 3) the degree of multiplicity of policy alternatives presented to policymakers for decision. Of these, the latter item was found to be the most complex, involving an intricate structure of roles and relationships among and between analyst, adviser, and policymaker. It was concluded that the degree of multiplicity of policy alternatives presented to the policymaker can have a significant influence on the transformability of analytical outputs into policy inputs, and on the nature and outcome of the policy process itself.

It was suggested that behavioral incentives might be useful in overcoming the barriers which tend to inhibit the presentation of a wide range of policy alternatives to the policymaker. It was pointed out that at the strategic level, structural system redesign (e.g., the establishment of "counter-planning" units or the institution of planned

redundancy of analysis) would potentially be more effective.

Planned redundancy of analysis was suggested as a possible antidote to a variety of policy system pathologies and malfunctions. This type of redundancy was conceptualized as being analogous with the deliberate creation of multiple mechanism for the "absorption of uncertainty", as that term is used in the organization theory literature. The usually high cost and uncertain payoff of redundancy were recognized. However, it was also pointed out that, given the broad and long-term impact of policy decisions, the added cost of redundancy may be offset: 1) by reducing distortion and error inherent in complex processes, and 2) as a result of a possible innovative breakthrough in terms of the creation of novel policy alternatives or reconceptualization of old problems.

Throughout Chapter Six, the objective has been to encourage direct and systematic attention (on the part of both policy analysts and policy researchers) to a continuous assessment of the patterns of search and evaluation utilized in actual policy formation instances, in order to increase our understanding of policy processes.

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Chapter Seven

The Concept of Crisis

7A. Chapter Overview

Chapter Seven is intended to provide at least a partial remedy for the relative absence of any integrated treatment of the topic of crisis (other than crisis management) in the literature and research of organization theory.⁽¹⁾ Thus, this chapter is based mainly on a review of the attempts at the conceptualization of crisis in other disciplines. These attempts generally fall into one of the following three categories:

- Crisis as a turning point.
- Crisis as a trait(s).
- Crisis as a situation.

Each of these categories will be examined separately, with a view towards synthesizing a policy relevant conceptualization of crisis as an important variable which influences the policy formation process.

7B. Crisis As A Turning Point

Many investigators of social behavior have defined crisis as the critical turning point or branching point in some state of affairs, a definition analogous to the one in common medical use.⁽²⁾ When crisis is defined in this manner, it is associated with rapid or sudden change.

The Encyclopedia of the Social Sciences discusses the concept of crisis in an economic context and defines it as, "a grave and sudden disturbance of economic equilibrium".⁽³⁾ Some scholars define crisis as, "a fluctuation in the energy applied by social entities to a situation".⁽⁴⁾

Other definitions are focused not on the speed of change or the

quantity of energy invested in it, but rather the degree of change.

Wolfstein, for example, conceives of crisis as a situation which threatens to transform "an existing political and social order."⁽⁵⁾

Martin, et al. define crisis as a situation that triggers change, rather than one that constitutes the change itself. These authors have attributed a failure of reform programs to the absence of crisis, saying by way of example in their study, "If Onadaga County faced crisis, more incentive for change might be found."⁽⁶⁾

A more restricted use of crisis as a critical point confines the term to sudden variation in conflict as a specific type of change. Thus, Wiener and Kahn describe a crisis as, "a situation involving significant actual or potential conflict in either novel form or at an abruptly changing level."⁽⁷⁾

Other scholars associate the notion of crisis with war. For instance, from comparison of the boom-depression business cycle and the diplomacy-war international cycle, Boulding concludes that although both systems proceed, "to some kind of boundary turning point," the absence of counter-cyclical instruments in the international system "frequently leads to a crisis in the form of war."⁽⁸⁾

Crisis defined as a turning point is easily associated with a systematic level of analysis. In other words, the interaction patterns between the members of the system can be scrutinized for abrupt changes in their conflict behavior or in some other variable.

7C. Crisis as Trait(s)

In contrast to defining crisis as a turning point in the interaction pattern of systems units, crisis can be specified as certain traits of

an isolated situation in a unit such as an organization, nation, etc.

Some scholars who use trait definitions attribute to crisis a single characteristic. For instance, Schelling notes "the essence of the crisis is its unpredictability."⁽⁹⁾ Hamblin⁽¹⁰⁾ also defines crisis as a single trait. More often, several traits are used to define crisis. Triska, for example, identifies three traits that are of concern to decision-makers; threat, a reduced time for decision, and stress.⁽¹¹⁾ Hermann utilizes Triska's approach, with slight variation, suggesting; high threat, short time, and surprise.⁽¹²⁾

Miller and Iscoe⁽¹³⁾ isolate the following five traits from studies of individuals and of small group behavior;

Time dimension: The crisis is, "acute rather than chronic and ranges from very brief periods of time to longer periods which are not yet clearly defined."

Change in behavior: "Behavior under crisis is characterized by inefficiency, frustration and scapegoating."

Subjective aspects: "There is a perception of threat or danger to important life goals . . . accompanied frequently by anxiety, fear, guilt, or defensive reaction."

Relativistic aspect: "What constitutes a crisis to one individual or group does not constitute it for another group."

Organismic tension: "The person in crisis will experience generalized physical tension which may be expressed in a variety of symptoms including those commonly associated with anxiety."

The following more extensive compilation of crises characteristics is provided by Wiener and Kahn:⁽¹⁴⁾

1. Turning points are perceived by the decision makers.
2. Decisions and actions are required: Action decisions are defined to include explicit judgment to postpone action and decisions not to take action.

3. Threats, warning, or promises are seen by decision makers. Threat seen is a relatively powerful factor in forcing recognition of situation as crisis, while promise seen is ordinarily less likely to be judged a critical situation (except as). . . a loss of some unique or irretrievable opportunity is threatened.
4. The outcome will shape the future: "the outcome of the crisis will be important. . . moreover, the decision may be determinative of the future events."
5. Events converge: "Crisis frequently has the aspect of seeming to result from a convergence, confluence, or concurrence of events."
6. Uncertainties increase: "In most crisis, relative to normal uncertainties about the immediate future, there is a large range of outcomes possible."
7. Control over events by the decision makers is decreased.
8. Urgency increases: "The situation is felt as urgent, demanding, and exigent. For many actors this results in feelings of great stress and anxiety."
9. Information may become inadequate.
10. Time pressures increase.
11. Interrelations among actors are changed: "Bargaining positions and other elements of power are altered by changes in time pressures, urgency, uncertainty, etc."

Wiener and Kahn note that these eleven traits are not mutually exclusive and that some are more important than others. They do not list them in order of their importance, although they point out that an increase in uncertainty is quite important. Although they suggest that these dimensions could be used to define crisis, Wiener and Kahn do not do so. Furthermore, they do not claim that the list represents the necessary and sufficient conditions for the occurrence of crisis.

The characteristics of crisis that appear in both of the above lists are interesting, because of the diverse disciplinary backgrounds of the researchers represented by these two compilations. A reduction in

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available time is mentioned by Miller and Iscoe (item 1) and by Wiener and Kahn (item 10). Threats are also included in both Miller and Iscoe (item 3) and Wiener and Kahn (item 3), as are the symptoms of stress and anxiety.

A clear distinction is rarely made between the concept crisis and a number of closely related terms: e.g., anxiety, disaster, panic, stress, tension, threat. Some scholars identify crisis as a stimulus to which certain kinds of behavior like anxiety or panic are frequent responses. Several of these terms are often found in a particular academic field. Thus, some fields of psychology study threat, anxiety, and stress; whereas, disaster and panic are stressed more in the field of sociology.

A crisis might more adequately be represented not as a single situation but as a succession of situations through a period of time, or as a "time series", with each situation being partly determined by its predecessors. This requires policymakers to redefine their image of the situation on the basis of additional information and past experience.

Riker, in, "Events and Situations"⁽¹⁵⁾ describes a situation as, "The boundaries, the stops and starts, that humans impose on continuous reality. . ." Or, more formally, "A situation is an arrangement and condition of movers and actors in a specified, instantaneous, and spatially extended location." This definition which is similar to that of Snyder, et al., suggests the analogy of a single frame in a continuous motion picture. This suggests that the antecedent conditions that precede the initial situation of any arbitrary sequence are at least as important to the definition of crisis as are the immediate events of a particular

situation.

7D. Crisis As A Situation

Two frequently used formulations of the concept of crisis have been presented above. Crisis has been defined as an abrupt change in some systems patterns, i.e., a turning point, or more precisely, a critical turning point. It also has been defined in terms of the characteristics or traits of a given situation. A third approach defines crisis in terms of the following three situational dimensions:

- 1) Threats to the high priority goals of the decisionmaking system.
- 2) Restrictions on the amount of time in which a response could be made.
- 3) Surprise - i.e., the event was unexpected or unanticipated by the members of the decisionmaking system. (16)

These dimensions are described in terms of their impact upon the crisis experiencing system. That is, the situation threatened the policymakers' goals; it surprised them, and it forced them to deal with a short decision time. In other words, crisis has thus been defined in terms of the target unit's, "definition of the situation". (See Chapter Three for a discussion of the term "definition of the situation".)

7E. Critique of the Alternative Formulations

The main problem associated with defining crisis in terms of traits and characteristics is that traits appear to characterize either phenomena correlated with crisis, or phenomena that appear as an effect of or response to crisis. Rather than isolating particular types of situations that can

be described as crisis, some traits denote related behavior that may be associated in some way with crisis. Although it is of great benefit to identify the corollaries and effects of a variable, just as it is helpful in establishing the presence of a disease by noting symptoms manifested in the patient, in most cases successful treatment is dependent upon isolation of the virus or other source of the ailment. The connection between a virus and its symptoms can be systematically determined once the disease has been identified. This analogy emphasizes the great need for empirical inquiry as a means of better understanding of the connection between crisis situations and related behavioral phenomena.

Both Miller and Iscoe and Wiener and Kahn acknowledge that their list of traits are not a precise description of any given crisis. These are similar to Webers "ideal types" to the extent that the traits specify something, ". . . with which the real situation or action is compared and surveyed for the explication of certain of its significant components. An actual feature is located on a continuum or dimension according the degree of approximation to the ideal type." Thus, on a particular dimension, a situation might be more or less crisis-like.

The main problem with the definition of crisis as a turning point is that, by itself, the notion of turning point does not explain what constitutes a crisis, but specifies only where in a temporal or spatial dimension it takes place. In other words, from the predictive standpoint, the turning point conceptualization is somewhat problematic because the turning point construction means that the turn can be identified only *ex-post-factum*. This weakness has been recognized by many scholars who use such a definition for lack of a better one. Left unanswered is

the method of identifying, in advance, the turning points, if an overall view of the succession of events is not available beforehand.

Wiener and Kahn⁽¹⁷⁾ reason that a crisis exists when those policymakers involved perceive it to be a critical turning point regardless of whether a sharp change actually occurs or not. This position reduces the dependency upon post-hoc analysis if there exist mechanisms to identify perceptions of policymakers. Similarly, the trait definition depends on the perception of the decision maker.

These two conceptualizations of crisis (turning point and trait) represent two different perspectives on the study of crisis that may be combined for some purposes. Conceptualization of crisis as a turning point is a concept susceptible to the systemic analysis of systems behavior. In this form of analysis, attention is drawn to various patterns of interaction between various systems components. When the organization is the unit of analysis, the systems approach examines the relationship between organizations, rather than processes within an organization. Crisis lends itself to the system perspective particularly when it is defined as an abrupt change or turning point in patterns of interaction between organizations. The trait definition can be also used in a systemic approach, but such a definition is especially valuable when studying internal processes by which policies are formed. If the characteristics of a crisis are interpreted in terms of what individual policymakers perceive, then the concept becomes relevant to the decision-making approach. Crisis becomes an occasion for decision. Attention is directed to the way which the perception of the situation affects the policy formation process.

Since this study recognizes the interdependence between system behavior and the policy maker's perception of the situation, it will focus on both approaches in an integrated manner. This means that an attempt will be made to identify the critical turning points which presumably shaped the crisis perception of the policy makers; and, simultaneously, emphasis will be placed on the potential impact of such perceptions on the patterns of behavior and the nature of policies established.

7F. Chapter Summary

Chapter Seven has presented a review of several attempts at the conceptualization of crisis in a variety of disciplines. These categories included crisis as: 1) turning point; 2) trait(s); 3) situation. In a brief critique of these alternative formulations of the concept of crisis, we saw that no one approach is sufficient for all purposes. A definition of crisis as a turning point, for example, does not explain what constitutes a crisis, but specifies only where it takes place in space or time. Furthermore, such an approach necessarily relies on ex-post-facto identification of the turning points.

Similarly, defining crisis in terms of traits or characteristics tends to focus attention on behavioral responses rather than on the basic conditions or stimuli creating such response. This approach really begs the question as to the relationship between crisis situations and related behavioral responses.

Defining crisis in terms of such situational dimensions as threat, time, and surprise, was shown to be a useful approach in a policy context. Examination of this approach led to formulation of the concept of the perception of crisis by the policy actors. The use of actors' perceptions

was seen as an integrative variable which facilitated some degree of synthesis of the concept of crisis as a turning point, as trait, and as situation. This formulation rests on the policymaker's "definition of the situation", a very useful concept developed in Chapter Three.

Thus, in Chapter Seven we have seen the need to synthesize the currently existing, fragmented conceptualizations of crisis. Because the conceptual framework developed in this study recognizes the interdependence between system behavior and the policymaker's perception of the situation, we have seen the potential value of integrating the three alternative formulations of the concept of crisis and of focusing on a policy actor's perceptions of crisis rather than on some intractable reality.

Notes For Chapter Seven

- 1) Some exceptions are: Charles Hermann, "Some Consequences of Crisis Which Limit Viability of Organizations" Administrative Science Quarterly, No. 8, 1963; H. B. Williams, "Some Functions of Communication in Crisis Behavior" Human Organization, No. 16, 1957, pp. 15-19; Stephen Fink, Joel Beak, and Kenneth Taddeo, "Organizational Crisis and Change", Journal of Applied Behavioral Science, Vol. 7, No. 1, 1971, pp. 15-37; Amitai Etzioni, Complex Organizations, New York, 1961, pp. 154, 182, 192, 203, 359, 399; G. L. Lippit and W. H. Schmidt, "Crisis in a Developing Organization," Harvard Business Review, 1967, 45, pp. 102-112; Arnold Parr, "Organizational Response to Community Crisis and Group Emergence," American Behavioral Scientists, Vol. 13, No. 3, (Jan-Feb), 1970, pp. 423-429.
- 2) See, R. C. North, O. R. Holsti, M. G. Zaninowich and D. A. Zinner Content Analysis; Evanston, Ill., Northwestern University Press, 1963, p. 4.
- 3) J. Lescure, "Crisis", in E. R. A. Seligman (ed.) Encyclopedia of the Social Sciences; 4, New York, McMillan, 1937, p. 595.
- 4) C. A. McClelland, (ed.) Quemoy: An Acute International Crisis, San Francisco International Studies Project VII, San Francisco, California, 1959, p. 39.
- 5) E. V. Wolfstein, "Some Psychological Aspects of Crisis Leaders" in L. J. Edinger (ed.), Political Leadership in Industrial Societies; New York, Wiley, 1967, p. 156.

6) The concept of situational "triggering" is examined in, R. C. Martin, F. J. Munger, J. Burkhead, G. S. Birkhead, H. Herman, H. M. Kagi, L. P. Welch, and C. J. Wingfield, Decision in Syracuse; Bloomington, Indiana University Press, 1961. For the relationship between reform and crisis see especially page 331.

7) A. J. Wiener and H. Kahn, Crisis and Arms Control; Hudson Institute, New York, 1962, p. 12.

8) Kenneth E. Boulding, Conflict and Defense; New York, Harper and Row, 1963, p. 250.

9) T. C. Schelling, Arms and Influence; New Haven, Yale University Press, 1966.

10) R. L. Hamblin, "Group Integration During a Crisis," Human Relations, Vol. 11 (1958), p. 67.

11) J. F. Triska, Studies in Deterrence XIII Patterns and Levels of Risk in Soviet Foreign Policy Making, 1945-1963; Naval Ordnance Test Station, China Like, California, October, 1966, p. 7.

12) Charles F. Hermann, Crisis in Foreign Policy: A Simulation Analysis; Center of International Studies, Princeton University, Bobbs-Merrill, Indianapolis, 1969.

13) E. Miller and I. Iscoe, "The Concept of Crisis: Current Status and Mental Health Implications," Human Organization ; Vol. 22 (1963), p. 196.

14) Wiener and Kahn, Crisis and Arms Control, op.cit., pp.8-11.

- 15) W. Riker, "Events and Situations," Journal of Philosophy, 54, (1957), pp. 60-61.
- 16) Charles F. Hermann, Crisis in Foreign Policy; op. cit.
- 17) Wiener and Kahn, Crisis and Arms Control, op. cit., pp. 8-9.

Part III: Application of the Conceptual Framework

Chapter Eight: The Case Study

Chapter Nine: "Selective" Analysis of the Conception and Birth Phase

Chapter Ten: "Selective" Analysis of the Crystallization Phase

Chapter Eleven: "Selective" Analysis of the Transition Phase

Chapter Twelve: "Selective" Analysis of the Realization Phase

Chapter Thirteen: Summary and Conclusion

Chapter Eight

The Case Study

8A. Application and Testing of the Framework

In Chapter One, it was stated that the primary contribution of the conceptual framework for analysis developed in this research lies in its ability to suggest useful ways of studying policy formation reality. My claim was that the framework would offer the policy analyst and policy researcher a group of indicators which would suggest where to look and what to look for when attempting to analyze and understand the mix of forces which energize, maintain, and direct the operation of major level policy systems. In short, the framework was offered as a potentially useful mechanism for selecting and ordering dynamic behavioral data, and for describing, analyzing, and explaining policy formation phenomena.

As was emphasized in Chapter One, it cannot be said of the set of concepts which comprise the conceptual framework that it is right or wrong. The only meaningful test is whether or not this set of concepts proves to be useful when applied as an heuristic aid in policy analysis and policy research. This utility will be at least partially determined through application of the framework (by means of secondary analysis) to case data used by Dolenga for development of the Postal Reform Case Study.⁽¹⁾ I am hopeful that even this preliminary application and testing will demonstrate both the theoretical soundness and the pragmatic value of the framework as a sensitizer, an heuristic aid, and a set of guidelines to direct and focus analysis of the policy formation process as manifested in the Postal Reform Case.

8B. Case Development⁽²⁾

In a separate, but related and very complimentary research effort, Dolenga has developed an analytical case study of postal reform and reorganization. Because of our mutual and long-standing interest, in policy systems, Dolenga and I collaborated in our respective research design and development efforts as fellow students and colleagues in the Doctoral Studies Program in the Organization Behavior Department, Graduate School of Management, Northwestern University. This collaboration took place under the guidance of our common Dissertation Advisor, Dr. Michael Radnor. The various stimuli generated by this intellectual and empirical collaboration enriched both of our research programs without undermining our individual academic objectives or our scholarly development.

Dolenga's development of the Postal Reform Case was based on two main inputs. First, there was an exhaustive review of public and private documentation. Secondly, there was an extensive field interview program in which some seventy-five key individuals were interviewed in regards to their direct participation in or close knowledge of the postal reform and reorganization policy formation process. The persons interviewed were top level policymakers (and in many instances, members of their immediate staff) such as members of congress, union presidents, members of the White House Staff, several Postmasters General, the top management of the then Post Office Department itself, and members of the Presidential Commission on Postal Organization.*

*For a complete interview schedule, see Appendix C to Dolenga's dissertation.

Almost all of the interviews took place on-site, so to speak, in Washington, D.C. Most of these interviews were conducted jointly by Fuchs and Dolenga.* The interviews themselves were mainly unstructured, consisting of open-ended questions. Not infrequently, the interviews took the form of an "exchange of ideas" between interviewer and interviewee. Given the basically exploratory nature of the research, this proved to be an effective mode for probing the behavioral dimensions of a very complex process.

Development of the theoretical aspects of the conceptual framework and the conduct of the field interviews (and the analysis and interpretation of them) were neither sequential nor mutually exclusive steps. Rather, this was an interactive, iterative process, with a resultant significant degree of mutual influence between these two aspects of the research. I believe that this interaction strengthened both the framework and the interview process.

8C. Case Analysis

As has already been noted, application and testing of the conceptual framework will take the form of a selective analysis of the Postal Reform Case. The behaviorally oriented Case prepared by Dolenga contains unusually rich and comprehensive data. It would be a monumental task to complete a thorough and complete analysis of it,

*This author's participation in the field interview program, and in both the development of the interview protocol and the interpretation of interview data, accounts for the use of the terminology in the body of the case analysis which often states "During our interview..."

and that will not be attempted here. Rather, the case analysis to be discussed in subsequent chapters will necessarily be partial and quite selective.

It should be emphasized that the present analysis is not intended to deal with the substance of the postal reform policy, *per se*. Instead, the purpose is to examine the policy formation process which produced a particular policy outcome which (although fascinating and important) is of only peripheral interest for purposes of this study.

The main focus of the analysis will be on the policy strategies, i.e., on the strategic components of the conceptual framework. Thus, this selective analysis will focus on an examination of the policy formation process in terms of its implicit and explicit strategies. The primary purpose of this analysis is to test the viability of the conceptual framework as an heuristic aid to policy analysis and policy research. A secondary objective will be an attempt to identify the essential conditions under which policymakers may tend to choose a strategy of radical vice incremental change.

8D. The Postal Reform Case

The analytical Case developed by Dolenga is quite comprehensive. It is rich in behavioral data related to events which occurred during a more than three year time period. For ease of exposition, Dolenga has divided the Case into the following four major phases:

- 1) The Conception and Birth Phase - (The Initiation of Policy Formation).
- 2) The Crystallization Phase - (The Search For Policy Options).

3) The Transition Phase - (The Transfer of Political Sponsorship).

4) The Realization Phase - (The Achievement of Legislative Approval).

Based upon my familiarity with the primary case data, these Phases appear to be eminently reasonable and will be useful during the analysis which follows. In general, the analysis will consist of application of the conceptual framework to the above Phases. However, these four Phases, although phenomenologically meaningful, are inherently arbitrary. Therefore, an attempt will be made during the analysis of policy strategies to examine strategic issues both within and across Phases.

To assist the reader who has not been exposed to the entire Case, the following information is being provided:

-The history of the postal reform movement is reviewed (Section 8.4 below).

-An overview of the Postal Reform Case is provided (Section 8.5 below).

-A summary listing of the main policy actors (especially those referred to in the analysis which follows) is provided (Appendix A).

This information should materially assist the reader by providing relevant background data. However, it is emphasized that these brief sections cannot do justice to the rich case data and in a sense are an inadequate substitute for the original Case. Therefore, the reader is strongly urged to read the basic Case (as well as other important analysis and theoretical work) contained in Dolenga's complimentary dissertation.

8E. The Historical Heritage of the Postal Reform Movement (3)

8E1. Introduction and Overview. Recognition of postal problems was hardly a new phenomenon. The historical record reveals a number of studies, dating as far back as the late 1940's, which probed basic deficiencies in the postal system and made various recommendations for improvement. The improvement recommendations fell into one of two major categories; facilities modernization programs and structural change recommendations.

As long ago as (about) 1948, Harold Seidman, then an analyst in the Bureau of the Budget, was advocating that the U. S. Post Office Department be converted to a government corporation. More comprehensive attempts at reforming the postal system can be traced back to the 1949 Hoover Commission. In 1953, Stanley Chen of Advertising Age conducted a comprehensive review of the Post Office Department and recommended that total renovation of the system vice piecemeal modernization, was long overdue. A number of additional studies were conducted in the late 1950's and early 1960's, and these studies tended to endorse structural reform as an antidote for system ills.

Although these early studies differed somewhat as to their findings and recommendations, the most marked aspect they had in common was their inability to significantly alter either postal operations or the existing policies governing the postal system.* That is to say, these early reform efforts registered a low impact on reality.

*In contrast, in 1967, the Labour Government announced that the British Post Office Department was being converted into a government-owned corporation, as the result of the recommendations of a "Select Committee" which had conducted an extensive study of the Department's deficiencies.

Despite the studies and recommendations, postal reform was by no means a major policy issue during the nearly two decades which spanned the original Hoover Commission recommendations and the 1965 appointment of Lawrence F. O'Brien as the sixtieth Postmaster General, except possible in the minds of a very small number of individual and institutional reform advocates.

A more detailed discussion of these early reform efforts, including their findings, recommendations, and supporters is provided in the sections which follow.

8E2. Historical Antecedents. In 1953, Advertising Age published the results of a comprehensive, five-part in-depth study of the Post Office Department and its operations, which had been conducted by its Washington Editor, Stanley Cohen. After examining an extensive list of basic ills, Cohen suggested that the answer to the fundamental problems plaguing the postal service lay in a fundamental restructuring of the organization along the lines of an independent government-owned corporation such as the TVA. There were striking similarities between Cohen's proposals and those contained in what is now viewed as an historic speech given by then Postmaster General Lawrence O'Brien in April, 1967, in which major reform and reorganization of the Post Office Department was suggested.

Although Cohen's suggestion for conversion of the Post Office Department into a government corporation was based on what was generally accepted as a high quality piece of investigative reporting and flowed logically from his findings, the basic idea did not ori-

inate with him. As the Advertising Age series noted, contemporary efforts to reform the Post Office Department date back to the 1949 Hoover Commission Report. In fact, in addition to the Hoover Commission work, there have been a number of relatively formal studies and proposals regarding reform of the Post Office Department which preceded Postmaster General O'Brien's 1967 "postal reform" speech. Significant specific early efforts in this regard which are deserving of further elaboration include the following:

- Bureau of the Budget (Seidman) proposals - late 1940's
- Hoover Commission studies - 1949
- Cohen Plan - 1953
- General Accounting Office Study - 1962
- Congressman Udall's proposals - 1966
- Bureau of the Budget (Simon) study - 1967

We will briefly examine the policy-relevant contribution of each of these efforts.

The Seidman Proposals. In the late 1940's, Harold Seidman, then an analyst in the Bureau of the Budget, was advocating that the U. S. Post Office Department be converted to a government corporation. While the historical record is not definitive on this point, it appears that Seidman's internal proposal was not institutionally sanctioned by the Bureau of the Budget. However, it appears that the corporate structure advocated by Seidman had some influence on the first Hoover Commission. Seidman's advocacy of the corporate structure appears to have flowed from a long-standing predisposition to favor this structural form. As a matter of fact, Seidman, in later years, became the

Budget Bureau's resident expert on government corporations, and in 1953 he co-authored a book expounding its presumed virtues.

Hoover Commission Studies. The roots of serious, contemporary efforts at reforming and reorganizing the Post Office Department can be traced back to the findings of the 1949 Hoover Commission. Although the Commission made numerous recommendations for changing the organizational structure of the Post Office Department, it did not directly address the corporate form as an alternative. However, it moved in that direction by recommending that significant portions of the Government Corporation Control Act be made applicable to the Post Office. Full implementation of this recommendation would have given the Post Office Department the essential attributes of a government corporation. However, when enabling legislation was introduced in 1949, considerable opposition to it arose in the Congress and in the General Accounting Office (GAO). Seidman explains this opposition in terms of an internal power struggle in GAO, and in terms of Congressional reluctance to relinquish control over the postal rate-making process. Historical developments confirm the high plausibility of Seidman's analysis.

Nonetheless, as Siegel has observed, several aspects of the original Hoover Commission recommendation were eventually given legislative approval, especially in the Post Office Department Appropriation Act of 1951 and in the Post Office Financial Control Act of 1950. These Acts gave the Post Office Department authority to implement business-like financial and accounting systems and procedures and generally increased the management flexibility. Other structural changes recommended by the Hoover Commission were accomplished by Reorganization Plan No. 3 which

was submitted by President Truman in 1949. In his transmittal message to the Congress, President Truman characterized these changes as "an important first step in strengthening the organization of the Post Office Department." Another major structural recommendation of the early Hoover Commission was regional decentralization of the Post Office Department. Although originally opposed by both the President and Postmaster General, it was largely implemented in later years. However, Siegel has suggested that history has vindicated original opposition to this decentralization recommendation because,

. . . regions now have inadequate authority or information to pass on many issues put to them, and they often function either as rubber stamps for the postmasters or as intermediaries between the postmasters and the office of the Postmaster General.

With regard to appointment of the top management personnel in the Post Office Department, the Hoover Commission did recommend that the President appoint an experienced executive to serve without limit as to term, as Director of Posts, under the Postmaster General. However, except for the recommendation that the Postmaster General not be a political party official, the Hoover Commission did not directly address either the process of appointment for the Postmaster General or his historical Cabinet status. Although President Truman's Re-organization Plan No. 3 did incorporate the Director-of-Posts position, it did not address the issue of the appointment of the Postmaster General. From that time until the O'Brien era, only minor, sporadic attempts were made in the Congress to implement the Hoover Commission recommendation that the Postmaster General not be a political party official. These isolated attempts proved futile, and until 1968 no

serious effort was made to upset the historical pattern of selecting Postmasters General from outside the Post Office Department, with political expertise being a dominant if not exclusive criterion.

Possibly the most controversial recommendation of the Hoover Commission was that Senate confirmation of postmasters be abolished. For technical reasons, Reorganization Plan No. 3 of 1949 did not deal with this issue. However, in a special message to the Congress, President Truman strongly supported the concept of non-political selection of postmasters. Furthermore, his position was strongly supported by the Postmaster General, the Bureau of the Budget, and the Civil Service Commission. Despite this impressive coalition, and in spite of the fact that nearly 100 bills, aimed at wholly or partially removing political influence from the process of selecting postmasters, were introduced in the Congress between 1949-1968, the Senatorial role of "advice and consent" remained in effect through the end of the O'Brien term as Postmaster General. It should be noted, however, that support for the removal of political influence on the postmaster selection process was steadily growing between 1949 and 1968.

The Cohen Plan (1953). Stanley Cohen's comprehensive review of the Post Office Department for Advertising Age generally used the earlier recommendations of the 1949 Hoover Commission as a point of departure, but went beyond these. Cohen's approach was a more synoptic one and thus his recommendations were more systematic than the more fragmented efforts of the Hoover Commission. Cohen constantly argued for identifying and attacking the root causes of postal problems. He characterized the postal system as being a,

. . . preposterous political gerrymander, with authority so artfully diffused that it is almost impossible to hold anybody responsible for anything.

Cohen saw the 1953 appointment of Mr. Arthur Summerfield as Postmaster General as a great opportunity for a "successful businessman" and a newcomer to Washington to demonstrate that modern business methods could improve the efficiency of postal operation, which he (Cohen) saw as basically a business (vice government service) type operation.

However, and perhaps more importantly, Cohen felt strongly that total renovation of the system, vice piecemeal modernization, was badly needed. In this context, he urged a formal severing of what he saw as excessive and counter-productive congressional influence over postal operations. Because he was convinced that the system had grown so huge and the problem had become so deep-rooted, Cohen felt that drastic measures were warranted. To this end, he recommended a major structural reorientation--the creation of a (TVA-type) independent, government controlled corporation to counter the following basic structural deficiencies which he identified in his study:

From the standpoint of efficient organization, the existing structure of the Post Office Department is an insurmountable barrier. As a department of government bound by civil service procedures, and frozen to budgets, rates and operating policies legislated by Congress, the Post Office is consuming excessive input in order to provide reasonable output.

There is little indication that when made, Cohen's study and his far-reaching recommendations had any significant impact on Washington policy-makers, and especially not in the Congress. As had been the practice of prior Chief Executives, President Eisenhower, in his 1953 State of the Union Message, touched on the problem of providing efficient postal

service, and indicated that

. . . (in cooperation with the Congress) the Postmaster General will institute a program directed at improving service while at the same time reducing costs and decreasing deficits.

As noted by Seidman, President Eisenhower's Postmaster General, Arthur Summerfield, briefly revived the proposal for a postal corporation, but no concrete legislative proposal to this effect was ever transmitted to the Congress during the Eisenhower Administration.

General Accounting Office Study (1962). During the decade of the fifties, both the size of the Post Office Department and the size of its problems continued to grow. The public press and congressional hearings of this period reveal an iterative cycle, repeated no matter which political party was in power. The dimensions of that cycle included concern over postal pay, postal rates, postal service, and the postal deficit. Along all of these dimensions, except service, the size of the problem continued to grow. Against this backdrop, in October 1961, the Treasury-Post Office Sub-committee of the House Appropriation Committee asked the Government Accounting Office (GAO) to estimate the annual cost of operating the Post Office Department as a private enterprise public utility.

In March 1962, the GAO issued a report in which it estimated that some \$57 million would be added to the cost of operating the postal service if it had to pay such expenses as taxes, advertising, interest, and services provided by other government agencies. The GAO report did not deal with nor make recommendations concerning any of the underlying structural problems in the postal service. Instead, it was an exclusively cost-oriented response to a very specific request from the

Congress. In essence, the report was a rough approximation of some representative costs normally incurred by a private company, which were not paid by the Post Office Department because of its status as a government agency. The apparent purpose of the House Appropriations Sub-committee was to document the position that postal rates would have to be significantly increased if the Post Office Department had to pay taxes and other operating expenses common to private enterprise organization.

Congressman Udall's Proposals (1966). Congressman Morris K. Udall, (D., Arizona), is known to have a long-standing interest in the operations of the Post Office Department. Udall has reported that in December 1966, in his capacity as a member of the House Post Office & Civil Service Committee, he informed newly-appointed Postmaster General O'Brien of his feeling that serious problems existed in the postal service and of his intention to introduce a bill in the Congress to study the operations and problems of the Post Office Department. Udall recalled that at the time, he was persuaded by O'Brien not to take any action on this matter for a few months. Udall complied with Postmaster General O'Brien's request and took no further immediate action.

Bureau of the Budget (Simon) Study (1967). Early in 1967, Mr. Benson Simon was hired by the Budget Bureau and after a brief orientation was assigned to that section of the General Government-Management Division which was responsible for overseeing operations of the Post Office Department. Simon's arrival coincided with the peak of activity related to the annual budget cycle and so his supervisors had little time to devote to him. Because of this situation, and by way of

training and indoctrination, Simon was given the classical assignment which has been the introduction of innumerable newcomers to large organizations; the study of a long-standing and clearly insoluable organizational problem.

In his case, Simon was told to familiarize himself with the "problems of the Post Office Department." Left largely to his own devices, Simon proceeded to conduct a one-man management analysis of the Post Office Department. Simon recalls that he was shocked to find what he viewed as deep-seated, fundamental organizational problems up and down the entire post office operation. He noted abundant evidence of low-morale, of hopelessly clogged communications channels, and a total lack of management flexibility--he concluded that there were few, if any, effective management controls over this far-flung operations.

Simon was quickly convinced that management in the Post Office Department was so hampered by the existing organizational structure that it simply was unable to carry out its managerial responsibilities. Unable to find any other vehicle for expressing his conclusions and his righteous indignation over them, he decided to prepare a written report. At the time of its preparation, neither the likely audience, nor the official purpose of the report were at all clear. However, this March, 1967 draft report was to play an interesting role in later events as we shall see as the case develops in subsequent chapters.

In his staff paper, Simon made a strong argument for conversion of the Post Office Department into a government corporation. This central recommendation was based on the fundamental premises that the Post Office Department was more of a commercial/industrial type operation

than it was a typical government policy agency, and that it met nearly all of the classical criteria used to justify prior use of the corporate form in carrying out the varied functions of government. In addition, Simon saw in the corporation proposal, a symbolic signal of intent to make a clean break with the past by completely ending political patronage as a way of life in the Post Office Department and replacing these (negative) practices with modern business management philosophies and techniques.

8E3. The British Experience With Postal Reform. Interesting from numerous perspectives, including the historical and cross-cultural dimensions, is the fact that a similar postal reform phenomenon was incubating in England as well as in the United States during the same time period. In August of 1966, Britain's Postmaster General, Sir Edward Short, announced to the House of Commons, plans to abolish the existing British Post Office Department and to assign its functions to a proposed government-owned corporation. This announcement grew out of a series of proposals made in early 1965 by the Minister responsible for the British Post Office. These proposals, in turn, were evolutionary steps in reform movement dating back to the 1930's. With marked similarity to the American experience, early reform efforts in Britain moved the British post office (over a period of 30 years) in the direction of greater structural decentralization and toward financial independence from the central treasury (the Exchequer).

In a "White Paper" issued in March, 1967, the Labour Government formally and publicly announced support for the conversion of the Post

Office into a public corporation. (For an insightful discussion of the role of the "White Paper" and the "Select Committee" in the British public policy process; a summary of the recommendations of the British Select Committee on Nationalization Industries concerning the responsibilities, structure, and organization of the proposed conversion of the British Post Office into a public corporation; and detailed information on the Labour Government's proposal contained in the British White Paper, see Notes 22-24 of Chapter Five of Dolenga's Case). Although there are significant similarities and differences between the British and American experiences, these are not immediately relevant. The main purpose here is to recognize the British experience as one of a number of early reform efforts which was to shape later events.

8E4. Undercurrents in the Popular Press. In addition to the more formal studies and proposals outlined above, the Post Office Department was the subject of a growing number of feature articles in the public press during 1966 and the early part of 1967. Typical of the tone of these articles was the question in Nation, "What Ails the Post Office?", and the Reader's Digest finding of a "Crisis in the Post Office." This and other press reaction of this period was largely critical of declining service and increasing rates. However, most of these articles were problem definition rather than solution oriented.

8E5. Policy Implications. It is clear that it would be erroneous to consider contemporary efforts at reforming and reorganizing the Post Office Department as appearing *tabula rosa*. What is not clear is:

1) why these early reform efforts had so little effect on policy reality; and 2) what impact the existence of these historical antecedents has on more current reform efforts. These critical policy-relevant questions (and to some degree, partial answers to them) will be implicit in much of the Case and in the analysis which follows.

8F. Overview of the Postal Reform Case⁽⁴⁾

8F1. Purpose. Because of the comprehensiveness and complexity of the overall case study, this brief, highly over-simplified overview is provided to orient the reader so that he can better appreciate the extensive case and analysis which follow.

8F2. O'Brien As Postmaster General. In a surprise announcement made public in August 1965, President Lyndon Johnson nominated Lawrence F. O'Brien, his Special Assistant for Congressional Liaison, to become the sixtieth Postmaster General of the United States. O'Brien was to replace PMG Gronouski who had just been appointed as President Johnson's new Ambassador to Poland. For several months after his nomination, O'Brien continued to serve the President in his Congressional Liaison role. In November 1965, he formally assumed the role of Postmaster General

O'Brien's Frustrations. During his first several months in office, O'Brien became quite frustrated with the tangled web of operational problems that plagued his Department. Soon thereafter, he created a small, confidential task force and charged it with the responsibility of coming up with recommendations for improving the overall management of the sprawling postal system. At about the same time, the POD suffered a

major crisis in Chicago where mail service virtually came to a halt.

After the Chicago crisis was alleviated through emergency measures, O'Brien turned his attention to forthcoming legislative battles over increases in postal rates and postal pay.

Early in 1967, the task force O'Brien had appointed the previous fall presented him a confidential report in which it recommended a major restructuring of the postal system. The central recommendation was to create a TVA-type government owned corporation, with considerable autonomy and independence, to run the postal system.

O'Brien's Speech. Armed with the recommendations of his task-force, O'Brien obtained White House clearance to publicly propose the corporate type reorganization. On April 3, 1967, PMG O'Brien appeared as a luncheon speaker before a Washington convention of the Magazine Publishers Association and the American Society of Magazine Editors. O'Brien stunned his wholly unprepared audience by proposing sweeping organizational reform of the massive postal system which he headed as the Cabinet level appointee of then President Lyndon Johnson. The essence of O'Brien's reform proposal was based on the following points:

1. The Postmaster General should cease to be a member of the President's cabinet.
2. The Department should become a non-profit government corporation, rendering essential public service.
3. It should provide postal service authorized by the Congress.
4. It should be operated by a board of directors, appointed by the President and confirmed by the Congress.
5. It should be managed by a professional executive, appointed by the board.

6. It should be given a clear mandate on the percentage of cost coverage for postal services, so that further revisions in rates, should they be necessary, would be on a fixed formula basis.

Postmaster General O'Brien justified his bold proposals by characterizing them as the only viable means of averting the disasterous consequences likely to result from what he saw as the Post Office Department's, "Race with Catastrophe". O'Brien viewed the catastrophe as being caused by a rapidly increasing volume of mail, a growing financial deficit, and a declining level of service.

8F3. The Presidential Commission. Despite guarded congressional reaction, there was widespread and favorable public reaction to PMG O'Brien's reform program. This outpouring of support convinced the White House that further action was appropriate. Therefore, only five days after O'Brien's speech, and with much of Washington still not recovered from the initial shock waves, Lyndon Johnson formally established the President's Commission of Postal Reorganization and appointed Mr. Frederick R. Kappel, retired AT&T Board Chairman, to head the group. The "Kappel Commission" was chartered to study the necessity to reorganize the Post Office Department and to make recommendations regarding any proposed new structure.

After about fifteen months, the Kappel Commission completed its study, and in June of 1968, the Commission issued its formal Report to the President, strongly recommending that the POD be reorganized into a government-owned corporation. President Johnson's public response to the Kappel Report was non-committal. He asked the Budget Bureau Director and Marvin Watson, his new PMG, to review the Report and to make

recommendations to him. (Meanwhile, O'Brien had resigned for the PMG position in April, 1968, for personal reasons.)

The new PMG, Marvin Watson, immediately began to react negatively to the recommendations of the Kappel Commission. However, just before leaving office, Watson publicly endorsed a move by President Johnson to encourage positive action on the Kappel Reprt. Thus, in his final State-of-the-Union Message in January 1969, President Johnson formally recommended adoption of the basic recommendations of the Kappel Commission. However, he left the initiation of legislative action to the incoming Republican Administration.

8F4. The Nixon Administration Action. During his 1968 Presidential Campaign, Richard Nixon made several statements endorsing the need for postal reform. A few weeks later, as the newly inaugurated President, he directed his Postmaster General, Winton Blount, to make a thorough study of the postal reorganization issue. At about the same time, Congressman Dulski (D., New York), Chairman of the House Post Office and Civil Service Committee, introduced in the Congress a Postal Reform Bill known as H.R.4. The Nixon Administration did not immediately react to the Dulski Bill but publicly pointed to the need for the new PMG to have adequate time to formulate his own recommendations.

Based upon the results of Postmaster General Blount's study of the Kappel Report, on May 27, 1969, President Nixon transmitted to the Congress draft legislation (H.R. 11750) representing the Administration's version of a postal reform bill. (A key difference between Rep. Dulski's bill (H.R.4) and the Administration's reform package was that the former retained for the Congress a significant role in the management of postal

affairs, while the latter virtually removed the Congress from all but a long range "oversight" function.) During the remainder of 1969 and the early months of 1970, much legislative maneuvering and lobbying took place in an attempt to influence Congressional action on one or another of the several versions of postal reform legislation by then pending in the Congress. Near the end of 1969, the outlook for favorable Congressional action on postal reform legislation grew dim.

8F5. The Postal Strike. The impasse in the Congress over postal reform legislation, coupled with anti-inflation pressures, led to delay in Congressional passage of long pending pay raise legislation directly affecting postal employees. Postal union dissatisfaction with what they perceived to be inordinate delay on the part of Congress in approving their pay raise became a significant factor contributing to mounting frustrations which finally manifested themselves in the first postal strike in the history of this country. On March 18, 1970, postal workers in New York City walked off their jobs, and soon the strike spread throughout the nation. The President called out federal troops to move the mails but this was more a symbolic than substantive gesture. Near the end of March, union officials, who had never officially sanctioned the "illegal" strike, succeeded in getting at least some of the postal workers to begin to return to work. Meanwhile, highly unusual talks commenced between the postal unions and the federal government. These talks were directed from the White House and included several government departments in addition to the POD.

An Historic Agreement. The strike was settled in early April after

unique and intensive negotiations between the unions and the federal government. On April 2, 1970, the unions and the government signed an historic agreement which committed both parties to support the postal pay raise and postal reform as one inseparable package. In the settlement, the unions gained a sizable pay raise and long-sought formal recognition of a collective bargaining relationship with the federal government. The Nixon Administration achieved a reversal of earlier adamant union opposition to its corporation reform legislative proposals. The President personally became involved in setting the strategy which led to this settlement.

8F6. Legislative Action. Prior to the strike, the Administration had arranged for the creation of a bi-partisan Citizen's Committee for Postal Reform. Former PMG O'Brien served as co-chairman of this group which worked hard at cultivating public support for the Administration's reform package. Despite some lingering opposition in Congress, this broad-based public support, when coupled with the united-front presented by the Administration and the postal unions, proved to be a sufficiently powerful coalition to insure ultimate passage of a postal reform bill. Despite much legislative and political maneuvering, in late June, 1970, both the Senate and the House passed their own version of a postal reform bill. The essential differences between the two bills were resolved in the House/Senate Committee and a compromise bill was finally approved by both Houses in early August.

Legislative Victory. On August 12, 1970, President Nixon signed Public Law 91-375, which is today known as the Postal Reorganization

and Salary Adjustment Act of 1970. This historic piece of legislation disestablished the Post Office Department and created the U. S. Postal Service, as a quasi-independent government agency. This creation gave institutional form and substance to the essence of the reform proposals originally contained in Larry O'Brien's "Race with Catastrophe" speech delivered some three and one-half years earlier.

Notes for Chapter Eight

- 1) See Harold E. Dolenga, "An Analytical Case Study of the Policy Formation Process: Postal Reform and Reorganization"; unpublished doctoral dissertation, Northwestern University, Graduate School of Management, August 1972.
- 2) For a comprehensive discussion of the development of the Case, see Harold E. Dolenga, ibid., Chapter 2.
- 3) This section is essentially reproduced (with slight modifications in format) from Harold E. Dolenga, ibid., Chapter Five.
- 4) This section is essentially reproduced (with slight modifications in format) from Harold E. Dolenga, ibid., Chapter Six.

Chapter Nine

Selective Analysis of the Conception and Birth Phase

9A. Introduction and Overview

Chapter Nine will present a selective analysis of the Conception and Birth Phase of the Postal Reform Case. The analysis will be primarily based on and directed by an attempt to apply the conceptual framework developed in Part II to the data recorded in the Postal Reform Case. Because of the richness of that data, it is impossible to undertake an exhaustive analysis of it. The modest intent here will be to focus on those components of the conceptual framework which are particularly related to the strategic aspects of the policy formation process. More specifically, this analysis will emphasize the following aspects of the framework as they are manifested in the case:

- The Decision to Make a Decision
- Strategic Decision Issues
- The Scope and Intensity of Change
- Time Preference
- Issue and System Boundary Delimitation
- Policy Instruments
- Policy Feasibility
- Policy Actors' Motivations

The objective here then, will be to examine the first phase of the case by focusing on these dimensions suggested by the conceptual framework and by drawing on the concepts developed in Part II during the development and elaboration of the framework. The analysis of the Conception and Birth Phase will be quite detailed as this early phase is dominated

by the interplay of strategic variables and it, therefore, affords a meaningful opportunity to apply and test the usefulness of the conceptual framework for analysis.

9B. The Decision to Make A Decision

During the Conception and Birth Phase, a strategic decision-to-make-a-decision did not emerge, at least at the level of the Johnson Administration. Instead, there emerged a very skillful pattern of decision elaboration, so structured as to maintain maximum flexibility and several open options insofar as policy initiation.

For example, as noted in the Case, Postmaster General (PMG) O'Brien's strategy was not to ask for President Johnson's "approval" of the substance of the postal reform proposal per se. Instead he intentionally asked only for approval to make the public speech and to indicate that he (Johnson) was "aware" of the reform proposal and deemed it worthy of further study. O'Brien's strategy obviated the need for any firm (and potentially) costly expression of public commitment from the White House. O'Brien's careful efforts to "protect" the President probably enhanced the likelihood of his obtaining Johnson's approval for the speech. Thus, the policy process was initiated without any explicit decision to make a decision. Only tentative, exploratory sub-decisions were made, leaving considerable room for strategic retreat, if necessary.

After the favorable public response to the O'Brien speech, the administration moved closer to a decision, but still stopped short of explicitly making it. The creation of the Presidential Commission represented a compromise strategic choice which enabled the Johnson Administration to capitalize on the momentum and tension which had been built

up as a result of the work of the Quadriad and O'Brien's public speech, while still maintaining open options and minimizing the expenditure of policy resources. As O'Brien stated later:

"President Johnson saw it as a real opportunity, and he concurred with my initial notions that this would be a real opportunity for the Administration to capitalize on a sweeping reform proposal and to go to work and apply resources to a proposal that offered some significant promise for bearing fruit." (1)

This action may indicate an incremental movement closer to an explicit commitment, but the movement was a measured one--there was no precipitous action in spite of O'Brien's desire to move quickly and dramatically. In sharp contrast with President Nixon's later position, during the Conception and Birth Phase, the Johnson Administration was very careful to stop just short of any explicit public endorsement of the postal reform proposal.*

The cautious public actions of the Johnson Administration can be understood in the light of the overall context. PMG O'Brien was offering an "opportunity" to the President. Although he spoke of crisis and the need to act, that was not the main thrust of his argument to the White House. Thus, with policy formation being initiated in an opportunistic (vice a problemistic) mode, the policy system had many flexible options which do not always exist.

9B1. Summary. We have seen that the policy process was initiated even in the absence of any explicit decision-to-make-a-decision. Although

* Although Califano implied, during our interview with him, that President Johnson was then convinced of the need for major reform in the postal system (but wasn't sure how best to achieve it), the impact of any such commitment on the policy formation process was diluted by Johnson's cautious public moves.

several significant sub-decisions were made, the fundamental public commitment to action was not forthcoming during the Conception and Birth Phase. This demonstrates that even so fundamental a strategic decision does not always "get made", either early, explicitly, or as of some precise point in time. In this situation the policy process moved forward even in the absence of such a basic decision, primarily because the principal policy actors were explicitly aware of their preference to carefully navigate a course toward pragmatic timely action, stopping short of any total public commitment. In effect, there was a sophisticated decision not to make a (public) decision.

However, as we shall see later, the absence of any strong, public commitment on the part of the Johnson Administration was to have significant dysfunctional implications during later stages of the policy formulation process.

9C. The White House Decision to Establish the Presidential Commission

In the absence of any public Presidential endorsement for the reform proposal, the White House decision to establish a Presidential Commission became the most significant strategic decision rendered by the focal policy actor during the Conception and Birth Phase. This action merits further scrutiny.

The literature on Presidential Commissions is voluminous and cannot be treated here. Instead, we will give a brief summary of the existing explanations in the literature regarding presidential intentions in establishing such commissions. We will try to characterize the postal case in such a framework, and if necessary to provide additional explanatory dimensions.

Elizabeth Drew⁽²⁾ has identified the existence of several dominant motivations for establishing commissions. These include:

- 1) An opportunity to postpone action, while at the same time being justified in saying that one is working on the problem.
- 2) The desire to provide a "lightning rod", by drawing political heat away from the White House.
- 3) The desire to investigate and to lay to rest rumors so as to convince the public of the validity of a particular set of facts.

Popper,⁽³⁾ in his extensive literature review, has noted four major presidential intentions behind every commission:

- 1) Demonstration of concern about a problem.
- 2) Education of the nation.
- 3) The encouragement of new policy ideas.
- 4) Mobilization of support for presidential programs.

Similarly, Dean,⁽⁴⁾ in his article about ad hoc commissions for policy formulation notes the following seven reasons:

- 1) The capacity to focus public attention on a problem.
- 2) Freedom from domination by the permanent agencies of government.
- 3) The ability to represent diverse interests and points of view.
- 4) Effectiveness in enlisting persons of national reputation and competence.
- 5) The ability to collect and publish important information.
- 6) The value of forestalling precipitate action.
- 7) Effectiveness in increasing public support for governmental action.

In the postal reform situation, the establishment of the Kappel Commission is well explained in terms of Dean's points one, and four

through seven, regarding presidential intentions. The action on the part of the Johnson Administration is best seen as an ad hoc response to a recognition of the opportunity for policy action created by the favorable public response to O'Brien's speech. Despite suspicions of many critics (especially union leaders) I am convinced that the decision to establish the Kappel Commission was not "pre-planned". After O'Brien's speech, it became clear that "do nothing" was no longer an open option. From this point of view, it is important to recognize that President Johnson's earlier decision to approve the delivery of O'Brien's public speech in effect became a partial constraint on later decisions.

The White House action in establishing the Commission is best understood as the recognition of an opportunity for policy action, and a desire to obtain competent advice on how to exploit this opportunity. Beyond this, it is my best judgment that O'Brien's personal motivation was more in the direction of mobilizing support for his specific proposal. This may explain the tactical difference between O'Brien and Califano as expressed in our interviews with them. O'Brien favored the establishment of a commission by legislative action, being sensitive to consensus building in the Congress vis-a-vis his proposal. Califano (and Schultze) favored establishment of a presidential commission to be appointed by Executive order. As O'Brien told us:

"So, the President opted for the appointment of a Presidential Commission and Califano went along with this idea. Although it was not exactly as I had envisioned things in terms of a commission, I certainly felt that it (postal reform) was deserving of Presidential influence. And, because my overriding consideration was one of timing--I felt the necessity to move quickly on this--I thought the notion of the Presidential commission fit in quite well at that time." (5)

Thus, we see that different policy actors may have had somewhat

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different objectives--i.e., they may have agreed to a particular course of action, albeit for somewhat different reasons. Assumptions as to a monolithic and homogeneous character of the policy system may well mask such subtle differences and distort a true understanding of behavioral data. Furthermore, we have seen that, when tested against the Case data, the theoretical literature regarding residential commissions provides a useful framework for understanding behavioral reality.

9D. The Scope and Intensity of Change

The scope and intensity of policy change is presented in the conceptual framework as one of several basic strategic decision issues. I have defined this dimension as the choice among various degrees of policy change, in terms of a range of change varying from small incremental changes in a few policy details over a long period of time, to major and rapid policy changes. During the Conception and Birth Phase, this dimension received explicit consideration in various decisional processes. A fundamental issue in the postal reform case was a choice between a strategy aimed at incremental improvements of various policy components within the existing structure and mode of operation of a strategy based on major changes such as system redesign.

9D1. O'Brien's Strategic Choice. PMG O'Brien made an explicit choice in favor of major change. His choice appears to have been influenced by the following factors: 1) a high degree of dissatisfaction with the results of past postal policies; 2) a well articulated perception-of-crisis syndrome; 3) a perception of the non-equifinality of the recognized strategic options; and 4) the existence of a strong predisposition toward drastic

systemic change, based on personal characteristics of the policy actor.

The existence of dissatisfaction with the results of past policies and the existence of a perception-of-crisis have been vividly documented in the Case. But perhaps the clearest explanation to why the radical change strategy was chosen lies in O'Brien's own "definition of the situation." His definition of the situation* included both a dissatisfaction with past policies, and a perception that radical change** might provide at least a way out of an intolerable situation with some chance that it could result in major improvements. In O'Brien's words:

" . . . a primary question is whether it is worth risking abandonment of unsatisfactory certainty for possible satisfactory uncertainty."(6)

O'Brien felt that the risk was definitely worth taking, and this fact may provide one of the important explanatory variables regarding his strategic choice.

O'Brien did not perceive the two recognized strategic options (radical change and incremental change) as being clearly equifinal; that is, at least potentially leading to the same or equivalent results. This is a very important theoretical point because it challenges the widely accepted notion that the main difference between the radical and incremental strategy is in intensity of change. Namely, that an accumulation of small incremental changes over a long time period may have an impact equivalent to the effect of comprehensive and rapid change.

* Based on an undated memorandum from PMG O'Brien to Fredrick Kappel on the occasion of Kappel's appointment as Chairman of the Presidential Commission on Postal Organization.

** Radical change as used here is intended to connote fundamental, and total change. That is, change which addresses root causes and the foundation of system problems. It implies basic structural modifications and the emergence of new patterns of relationships.

Radical or major change was perceived by O'Brien as including a basic system reorientation and change in direction. This required severing relationships with the past, and his feeling was that this was unattainable through utilization of an incremental strategy. O'Brien's policy leverage, based on his prior position as congressional liaison man for two presidents and his personal characteristics, created some predisposition toward major change. These characteristics are best understood in terms of O'Brien's self description as a "big picture man" and a person who always approached a job by going "whole hog" and taking "full charge."⁽⁷⁾ This may suggest that policy actors capacities and their policy leverage may have considerable impact on how a problem will be approached, the direction of search, and, finally, on the strategy preferences.

The Quadriad Report ultimately confirmed O'Brien's definition of the situation as we can see from this excerpt from O'Brien's memorandum to the President:

"This task force has been at work for well over a year, and its confidential report to me confirms my initial inclination that we should take bold, well designed, and timely action to bring the postal service into line with the demands and the needs of the times." (8)

The "demands and needs of the times", as perceived by O'Brien, were stated in the memorandum thusly:

". . . I have come to the conclusion that ultimate solution to the problems of the postal service lies in taking the Department out of its present context entirely." (9)

9D2. Quadriad Advocacy of Major Change. The Quadriad took a strong position in favor of major and fundamental change.⁽¹⁰⁾ The main underlying and explicitly stated assumption supporting this position was that

the scope of the interface between the POD and the Congress made true postal reform practically impossible unless these strong and pervasive congressional ties were severed. The report noted that, "basic solutions must involve removing the Post Office from the political arena."⁽¹¹⁾

This definition of the situation was reinforced by a high perception of crisis and by a perception of non-equifinality of the alternative solutions. The Quadriad view was generally consistent with O'Brien's initial thoughts about the nature and the direction of the solution. From this point of view, the main contribution of the Quadriad was not in the area of problem reformulation but, rather, in the validation and elaboration of already existing thoughts and the translation of these into a more operational plan of action.

9D3. Risk and Cost as Strategic Considerations. One important variable shaping the strategic choices necessary regarding the scope and intensity of change is risk acceptability or risk-taking behavior. This is largely a matter of the policymaker's readiness to accept the higher risk which might be associated with more radical change, versus a preference for the lower degree of risk usually associated with more incremental change. In both instances, the essence of the matter concerns the costs of policy change. Cost, as used here includes both the direct costs (which are usually more susceptible to ascertainment), and the indirect costs (including side-effects) which are usually nearly impossible to ascertain in advance and are even difficult to identify even under *ex-post-facto* conditions.

There is no explicit reference to reform costs in the Quadriad Report. The apparent lack of concern for many cost elements in the deliberations

and recommendations of the Quadriad was explained by several members in terms of the existence of a high level of dissatisfaction with the existing policies resulting in a strong desire to make a clean break with the past, irregardless of costs. Such action was regarded as being preferable to perpetuation of the status quo. (12)

A similar explanation of the lack of emphasis placed on the cost dimension was provided by O'Brien during our interview with him. When asked whether any formal or informal assessment was made of relevant costs and whether or not cost was a factor which particularly influenced his choice of a strategy of radical change, O'Brien replied:

"No, costs were not really an important factor at that time. I wasn't as interested or constrained by costs as I was interested in the overall direction of bringing about some drastic change and getting it started as soon as possible." (13)

This apparent insensitivity to the cost issue, which was reflected in the behavior of both O'Brien and the Quadriad, may provide some explanation as to why they both excluded from serious consideration the utilization of risk (cost) reducing mechanisms such as sequential decision making, experimentation, etc., and any effort to counter-balance somewhat the likely effects of the radical change strategy.

During our interviews with them, several Quadriad members expressed a strong feeling that the acceptance of incremental change in the near term (or piecemeal change, in their terminology) would foreclose on the opportunity to effect any significant change in the future. This is consistent with their position expressed in their confidential Report to PMG O'Brien in which they stated:

"It is felt that if piecemeal change is made in the near future, additional significant changes could not be expected for some time to come." (p. 16)

A significant finding related to this phase of the policy formation process is that O'Brien and the Quadriad perceived perpetuation of the status quo as being more risky than radical or fundamental change was likely to be. This behavioral finding tends to contradict existing theory which associates high risk with radical change. This may suggest that when existing policies are no longer acceptable because of a perception of crisis, and the existence of a considerable performance gap, the policy system may be more open to radical departures in policy, despite the high risk involved.

9E. Strategy Types

The conceptual framework suggests the value of examining the degree of attention paid to utilization of various strategy types in various phases of the policy process, and in respect to various policy target areas. We will now determine whether or not this is a useful suggestion, when applied to the Postal Reform Case data.

9E1. Disequilibrium Strategy. In certain circumstances, e.g., when the strategic objective is the radical transformation of a system, creation of a shock effect which first unbalances the system, may open it for redesign or redirection. This may be a preferable strategy whenever a system is deemed to be particularly rigid or frozen with respect to change initiatives. The case data strongly portrays O'Brien's commitment to the application of a disequilibrium strategy. This is especially clear in his insistence on maintaining strict control over the entire process, from the secret mode of operation of the Quadriad, to the dramatically orchestrated public speech. When asked whether or not he had had a

formal strategic plan for accomplishing postal reform, he replied:

". . . I couldn't say there was really much strategy up to that point in time. As a matter of fact, it's a case of just me, Larry O'Brien, pushing this damn thing into the spotlight trying to make it as dramatic and interesting as I could to capture the imagination and the attention. . ." (14)

As noted in the Case, O'Brien's speech, which the press characterized as a "bombshell", was the manifestation of a shock strategy. A major objective of this shock strategy was to "unfreeze" an historically immutable system and thus increase its receptivity to potential change proposals. The Case also demonstrated a secondary advantage of such a shock strategy. The elements of surprise and rapid follow-up action (e.g. the Presidential Commission was established only five days after O'Brien's speech) served to unbalance potential critics, thus minimizing chances of the early formation of an opposition coalition.

The above analysis indicates that O'Brien utilized the disequilibrium strategy for both tactical and basic strategic considerations. The basic proposal for corporate-form reorganization, although more implicit than the tactical uses, may be viewed as the strategic employment of an innovative idea to shock the system, thus providing a vehicle for opening it for change.

9E2. Comprehensive vs. Narrow/Focused Strategy. The framework also identifies another important strategy set; the comprehensive versus narrow/focused strategy. This set of strategy types is concerned with the degree to which policy formation will be focused on a broad range of policy components, as opposed to dealing with only a few, or even a single component. This choice was explicitly considered by O'Brien and weighed

heavily in the Quadriad's deliberations. The Quadriad explicitly recommended the comprehensive strategy, relying on the reasons stated below:

"In addition, the public interest would be captured by a bold, imaginative and timely proposal, thus endowing the total program with a greater likelihood, of Congressional approval than any single change such as greater latitude in making transportation arrangements or greater latitude in rate making. The unanimous feeling is that the major package is the one which should be pursued, for the whole has far more appeal than the sum of parts." (15)

In this instance, comprehensiveness was treated as being synonymous with major change. That is, the terms imply both comprehensive in the sense of a broad scope of policy components, and major change, taken together.

The possibility of achieving critical mass thresholds by focusing search policy resources on a few strategic controlling variables, which, through application of a possible multiplier effect, might achieve a significant change in policy through a directed set of changes each of which by itself may be incremental, was explicitly rejected on the basis of non-feasibility. In addition to feasibility considerations (a variable which the Quadriad was explicitly asked by O'Brien to ignore at this stage of analysis)⁽¹⁶⁾ there existed a perception of equivalence between the comprehensiveness of a policy and its importance. This image, no matter how correct or incorrect, also presumably drew the Quadriad toward a position of advocacy for a comprehensive strategy.

9E3. Identical vs. Mixed Strategies. The final strategy set identified in the framework is that of identical versus mixed strategies. Examination of various decisions taken during the Conception and Birth Phase by their explicit or implicit strategies clearly reveals a tendency toward the use of identical strategies; in this case--radical or major change.

Not seriously explored was the possibility of using mixed strategies; i.e., an arrangement in which for a given policy different strategies can be followed simultaneously (e.g., follow a radical change strategy in one policy target area and an incremental change strategy in another area).

The main explanation for the lack of attention to the possibility of following mixed strategies in O'Brien's decision and in Quadriad deliberations lies in the dimension of an insensitivity to policy costs. This lack of sensitivity to policy costs might explain not only why a radical change strategy was adopted, but also the neglect of serious consideration of the utilization of mixed strategies. Two clusters of reasons may provide a plausible explanation of the apparent lack of sensitivity to reform costs.

First, the existence of a perception that the risk of maintaining the present situation in the long run may be equal to or even higher than the risk of radical reform. This perception was shaped by dissatisfaction with present policies and by a strong feeling of the existence of a performance gap. Therefore, a clean break with the past, disregarding the costs, was perceived as better than the perpetuation of the status quo. This perception was reinforced by the feeling that the political costs of the incremental strategy would be equal to or possibly more costly than those connected with the radical strategy. Both of these perceptions were based on intuition and trained experience and neither of them was seriously challenged by analysis. Secondly, the existence of instrumental beliefs (that is, beliefs about ends-means relationships) in this situation in an economic and management context, predisposed O'Brien and the Quadriad

to certain policy measures which were consistent with those beliefs, regardless of the costs involved.

Neither of these two clusters of reasons is by itself sufficient to explain the lack of attention to the possibility of employing mixed strategies. Taken together, these factors tend to reinforce one another and constitute a composite explanation of the behavior of the major policy actors.

9E4. Summary. In this analysis of the strategic decisions taken during the Conception and Birth Phase, I have shown that the preference for the radical change strategy was influenced by a combination of following factors:

- 1) a high dissatisfaction with the results of past policies.
- 2) a well articulated perception of crisis.
- 3) a perception of non-equifinality among the various strategic choices.
- 4) the policy actors' policy leverage and intentions.

The incremental and the radical strategy were not perceived as being clearly equifinal. The incremental change strategy was perceived as inadequate for achieving the desired systems reorientation. This finding challenges the widely accepted notion that the main difference between radical and incremental change is the intensity of change. Namely, that the accumulation of small incremental changes over a long time of period may produce a similar impact to that produced by comprehensive and rapid change.

A second significant finding related to the strategic decision under investigation is the existence of a perception that the risk of

maintaining the status quo may, in the long-run be higher than those of radical reform. The existence of the above perception was reinforced by certain instrumental beliefs which predisposed the actors to certain policy measures, regardless of the cost involved. This apparent lack of sensitivity to the policy cost dimension also excluded from serious consideration the utilization of mixed strategies.

9F. Time Preferences

One of the several strategic decision issues highlighted in the framework is the issue of the time preferences of the key policymakers. Included under this dimension are two distinct temporal considerations. First, a concern with current decisions which express and influence time preferences relating to future actions and policy outcomes; i.e., a policy planning orientation. Secondly, a concern with current decisions which govern the timing of instant inputs to and influences on the ongoing policy process itself. Examples of both of these aspects of time preferences are found in the Postal Reform Case.

In the analysis of the Case data, the inter-connection between time and other strategic decision issues facing the policymaker will be of special interest. Special attention will also be given to the time preferences of the major policy actors and to the different ways in which time may affect both the speed and direction of the policy formation process.

Turning now to the case data, we see that one of the first issues regarding time preferences is the basic question as to what event(s) or force(s) energized the policy process. Empirically, a question is raised as to the nature of the temporal relationship (and by implica-

tion, the possible causal relationship) between the "Chicago crisis" and PMG O'Brien's decision to establish the Quadriad.

Because neither the Chicago breakdown nor the decision to establish the Quadriad were discrete events occurring at a precise point in time, their temporal relationship is not as easily specified as surface appearances at first suggest. However, as the Case clearly shows, O'Brien established the Triad (which later grew into the Quadriad) in August 1966, two to three months prior to the eruption of the Chicago crisis. Of course, it is possible that O'Brien was aware of the Chicago crisis while it was still in a developmental stage. If this were the situation, conceivable, his perception of a potential crisis could have been a factor which motivated him to establish the Quadriad. However, I found no evidence to support such a thesis, and common sense would argue that the Chicago breakdown would never have reached crisis proportions if O'Brien had been aware of its development at an early stage.

My conclusion is that the Triad was, in fact, established significantly prior to and independent of the crisis syndrome generated by the Chicago breakdown which peaked in urgency between October and December 1966. Moreover, several of the individuals who were ultimately involved in the Quadriad effort had been dealing informally with many of the same issues months before even the Triad was formed. Designation of the initial task-force added only a modicum of formality to these informal, ongoing thought and search processes.

Nonetheless, the perceived crisis related to events in Chicago undoubtedly acted as a stimulus and catalyst vis-a-vis the study task-

force. As the case data indicates, the Triad cum Quadriad initially operated without any deadline and did not begin serious, systematic work until late in the fall of 1966. By this time the situation in Chicago reached crisis proportions, by any reasonable definition of that term.

Thus, while I do not suggest that the Chicago crisis was causally related to establishment of the study team, the case data will support my interpretation that the Chicago crisis intensified the already emerging recognition of the need for major policy changes, and it accelerated the timing of policymaking efforts by heightening the sense of purpose and the urgency of the Quadriad effort.

Another time preference factor closely related to the foregoing is the matter of O'Brien's strong desire to control the timing (and other aspects) of any postal reform movement. The fact that, in December 1966, he prevailed upon Congressman Udall to withhold introduction of legislation which would have set up a congressional commission to investigate the POD can readily be interpreted as a desire to maintain control of the timing of any reform efforts. Similarly, in December 1966, O'Brien convinced the Budget Bureau not push for inclusion in the President's budget message of a statement advocating a study of the possibility of a corporate form of organization structure for the POD.*(17)

It is clear that in both of these instances, O'Brien preferred

*Because he felt that such a move might jeopardize the success of then planned postal rate increase legislation.

to delay overt reform action until he personally was sure of what to do and how and when to do it. This situation highlights the existence of both a theoretical and empirical inter-relationship between time preferences as a strategic decision issue and policy analysis. O'Brien felt that he needed the results of the Quadriad effort before he could act. Yet, an adequate analysis required a considerable time investment. The decision to pay this "time cost" necessitated delaying any further strategic or tactical moves until the analysis could reasonably be completed.

O'Brien's pre-selection of the Magazine Publishers Association Convention as the forum for public announcement of his reform proposals represents a most significant expression of time preference. Since this decision was made (at least tentatively) before the Quadriad had completed its work, it, in effect, dictated the timing of the preparation and presentation of the Quadriad Report. Furthermore, the secrecy and surprise aspects of the Quadriad work and of the April speech, served to pre-empt the response time of potential critics. O'Brien clearly knew how to use time to mold the policy formation process.

Further evidence of O'Brien's keen sensitivity to the time dimension may be seen in his strategy for winning President Johnson's at least tacit support for his historic speech. Having effectively delayed outside influences on the policy process until he was ready and able to initiate overt action, O'Brien once again convinced the President of the need for timely action so as not to lose the initiative. At this point in the process, O'Brien perceived that postal reform was

an idea whose time had come. Therefore, he argued convincingly that the Johnson Administration had to act quickly before others (especially Republican Congressmen) came to the same realization and wrested the option for policy initiation from the Democrats (and from O'Brien, who played many roles besides that of a powerful figure in the Democratic Party).

The early months of 1967 proved to be quite eventful insofar as the rapidity of significant policy formation actions vis-a-vis postal reform. After seeing the somewhat surprising outpouring of public support which followed his speech, O'Brien perceived both the opportunity for further dramatic action, and the risks inherent in the absence of timely action. He saw the opportunity to capitalize on the high level of interest and drama which had been built up as of the first week in April, but also realized that inaction could result in a dissipation of the creative tension which had energized the attention of the policy system. In addition, delay would afford opponents an opportunity to build an opposition coalition capable of insuring the infant mortality of the reform concept.

Acting on his sense of the high degree of leverage that time can exert on the policy formation process, O'Brien (assisted by Schultze and Califano) moved to convince President Johnson of the need for further timely dramatic action to sustain the momentum which had been built up. Creation of the Presidential Commission was the operational expression of the Johnson Administration's recognition of both the political and the "good government" opportunities presented by the situation they then faced. The fact that the entire ten-man Commis-

sion was formally appointed and publicly announced within five days after O'Brien's speech again underscores the important influence of time on the policy formation process.*

Time also influenced the method of appointment of the Commission (i.e., by Executive Order vice legislative action) and therefore its composition. It is quite likely that creation of the Commission through legislative action would have taken considerably longer and most certainly would have resulted in strong congressional representation on the commission. It will serve no useful purpose here to speculate on the possible impact of having had congressional representation on the commission. I would only observe that, given the strong congressional interest in the topic of postal reform, it is highly probable that the outcome would have been quite different from that which in fact obtained.

The close inter-relationship between time and other strategic decisions should not be lost sight of. We have just seen how time factors influenced the method of creating the Commission and thereby the composition of the Commission. From a closely related perspective, a prior strategic decision to exclude congressional represen-

*The extremely rapid action taken to formally establish the Presidential Commission encouraged speculation that O'Brien had prearranged the whole affair. Opponents of the reform concept seized upon and extended this speculation to suggest that the recommendations of the Kappel Commission were preordained as part of some Machiavellian plot. Based on extensive cross-validation of interview data and documentation, I am convinced that no such preordering took place, at least not consciously. In our interview with him, Mr. Califano explained that from a technical, communications perspective, rapid response time was no problem because the White House enjoys virtually immediate access to any person the staff may wish to contact. Understandably, the phase, "This is the White House calling", demands an immediate response.

tation, in turn influenced the timing of the establishment of the Commission, a factor which had important ramifications for the ensuing process. This mutuality of influence among key policy formation variables is a little understood aspect of the true complexity of the policy formation process.

Thus far we have looked primarily at the various ways in which time preferences influenced and were influenced by specific policy-making actions in an ongoing policy formation process. A second major dimension of interest here is the impact of target time preferences. That is, the time frame(s) in which the main policymakers wish to have the substantive results of the policy made manifest. Such time preferences regarding policy outcomes usually lack operationalized definitions. Nonetheless, this study suggests that this factor can have a considerable impact on the policy formation process, especially in its early, formative stages.

The Case Study demonstrates O'Brien's *a priori* preference for drastic and early change. In a sense, these two elements were mutually inconsistent. As discussed in Chapter Four, both theory and practice suggest that incremental, piecemeal, change can usually be effected relatively rapidly. In contrast, drastic change can generally be accomplished only over an extended time period. Thus, to seek drastic and early change, simultaneously, would seem to be an incongruous goal.

O'Brien's expressed desire to accomplish drastic and rapid change is best understood in terms of his behavior. Creation of the Quadriad without assigning any deadline for the completion of their work can be viewed as inconsistent with a desire for rapid change. It is, how-

ever, wholly consistent with a desire for drastic change which typically requires study and planning. Similarly, despite the existence of some fairly strong predispositions in favor of a corporate-type alternative, and despite substantial environmental pressure for change, O'Brien was apparently willing to wait approximately eight months for the Quadriad to complete its work. Similarly, his agreement (or acquiescence) to allow the Presidential Commission a full year to make its recommendations was tantamount to an agreement to freeze the system in a status-quo position for at least another year.*

None of the above behavioral actions is fully consistent with a desire for rapid change. I would conclude, therefore, that O'Brien's initial time preference regarding policy outcomes was modified somewhat as the policy process unfolded. More importantly, though, I would suggest that O'Brien's early expressions of a desire to accomplish rapid change was not really an expression of a time preference regarding policy outcomes. More likely, it was an expression of a personal and professional desire to initiate early policy action, i.e., to mold the ongoing policy process as it evolved.

Viewed in this light, the establishment of the Quadriad (and O'Brien's interaction with it), preparation and delivery of the public speech, and the establishment of the Presidential Commission, can all be seen as important action elements of a policy strategy which was

*This decision, of course, delayed concrete legislative action on postal reform. However, strategically, it also minimized the likelihood that O'Brien's policy initiative would be pre-empted through the immediate introduction of a counter proposal either by opponents of reform or by Republican advocates.

initiated relatively early in the process and which served to activate and sustain the policy process. Such an interpretation is also quite consistent with the case portrayal of O'Brien as a man of action and a political realist.

I conclude, therefore, that O'Brien was in fact much more interested in drastic change than in rapid change. His sensitivity to the time dimension was more oriented towards the initiation and acceleration of the policy formation process than towards the time phasing of policy outcomes, *per se*. O'Brien's predisposition regarding the scope of change was subsequently confirmed by the Quadriad Report, but largely on subjective grounds. I found no evidence that the Quadriad's assumption that drastic change would be no more costly than piecemeal change was ever subjected to any rigorous analysis. Instead, this premise seemed to arise from two sources. First, an emotional, ideological belief that entrenched attitudes and patterns of system behavior could only be changed through a dramatic, drastic break with the past. And, secondly, from a deductive conclusion that "enough" piecemeal change would be quite costly and time consuming, and a realization that anything less than drastic change would risk not accomplishing the intended reform objectives while dissipating the pro-reform momentum which had been built up.

What emerges from this discussion of the relationship between time preferences and strategic decisions regarding the scope of change is a potentially significant role for policy analysis. In the postal reform case, such analysis was not performed. In a normative vein I would suggest that in other cases, analysis could serve to clarify

the policymaker's intentions (for himself and for other policy actors) and could at least partially explicate the sensitive relationship between target time preference and the scope of change. Such explication might reveal, for example, the inconsistency (or at least high cost) involved in attempting to achieve drastic change rapidly. Analysis could thereby lead to a reformulation of time preferences or could facilitate the making of complex trade-off decisions between time preferences and other strategic decision issues.

I would also point out that the case data shows instances in which a perception of crisis and estimations of policy feasibility are two additional variables which mold time preferences; often resulting in the creation of rigid time constraints. For example, the extremely rapid creation of the Presidential Commission required that significant action be taken under very rigid time constraints. There was little time for analysis or deliberation; action was the governing criteria. This point is all the more significant because the creation of a Presidential commission was not a point addressed in the Quadriad Report and I found no convincing evidence to suggest that this action had in any sense been prearranged by prior agreement with the White House. Indeed, as pointed out earlier, it seems likely that O'Brien would have preferred a different choice of policy instrument; direct legislative action, for example.

9F1. Summary of the Analysis of Time Preferences. This analysis has shown that time preferences was a critical strategic decision issue at several key points in the Conception and Birth Phase. Furthermore,

this partial analysis has suggested (and subsequent analysis will confirm) that early strategic decisions regarding time preferences may serve as a powerful force which can exert a great deal of leverage on the ensuing policy formation process. Additionally, this analysis of this early phase of the case data has demonstrated the myriad of inter-connections and mutual influences between time and other strategic decision issues, highlighting the trade-offs necessary between time and other dimensions. This case analysis has also demonstrated the usefulness of distinguishing between time preferences regarding policy outcomes, and the timing of discrete policy actions which mold the ongoing policy process.

Several of the different roles of time, and a number of different ways in which decisions about time affect the policy formation have been demonstrated. For example, we saw O'Brien's use of time as a control mechanism used to "pace" the operation of the policy process. We saw how a perception of crisis may serve to accelerate policy efforts, and we examined the strategic and tactical value of well timed policy actions. Two major factors are suggested by this early and partial analysis. The first of these is the importance of time as a strategic decision issue, and the second is the fact that time acts as both a dependent, and independent variable. Also suggested by this analysis is a close interconnection between time preferences for policy action and the time necessary for analysis. In turn, the output from analysis may result in a reformulation of other strategic decisions.

9G. System and Issue Boundary Delimitation

The conceptual framework suggests that a policy actor's "definition of the situation", (namely, his selection and evaluation of objects, events, symbols, and other actors, and his perception of the inter-relatedness between the policy in question and other issues and systems) molds his (explicit and implicit) decisions regarding both issue and system boundary delimitation.

In the Conception and Birth Phase of the Postal Reform Case it is clear that PMG O'Brien was politically astute enough to recognize quite early that the historically determined scope and intensity of the interface between the POD and the Congress rendered significant postal reform practically impossible unless preceded by a drastic restructuring of this institutional relationship. (18)

Such a "definition of the situation" led him to define the system boundaries in a relatively broad context in terms of institutions (including the Congress and most of the other institutions of the Postal Complex(19) and also in terms of postal policy target areas (including issues such as rate-making, labor-management relations, financing and investment policies, etc.). Such a delimitation of system and issue boundaries virtually excluded from further serious consideration a policy alternative which would suggest improvements in postal service through incremental changes to be made within the existing structure of the postal system.

Of course, whatever early system boundaries are drawn, they will of necessity be imprecise and flexible, and will have meaning only in their broadest outline. Nonetheless, it is critical to note the great tendency for the original (often intuitively defined) system boundaries

to "stick". This has extremely important consequences for the nature and direction of the ensuing policy formation process. Anything clearly defined as being outside of the originally delimited system is, almost definitionally, not worthy of further investment of scarce policy resources. The difficulty, of course, is that the early, fundamental decision as to system boundaries is seldom as analytically rigorous as is the subsequent analysis of alternatives then "known" to lie within the focal system.

Consider, for example, the differing "definitions of the situation", as conceptualized by two Postmasters General. In broadest terms, PMG O'Brien defined the situation as an anachronistic relationship between the Congress and the POD. In contrast, former PMG J. Edward Day defined the situation as one of inadequate resources due to the low political leverage of the POD and the PMG. Without regard to the merit of the two views, it seems quite clear that each would lead to a different delimitation of both system and issue boundaries. Except for areas of possible overlap between the two systems, the likely result would be the analysis and advocacy of quite different policy alternatives.

We have now examined O'Brien's early, largely intuitive, system boundary definition. It is important that we also look at the system boundaries as defined by the Quadriad, and the resultant influence on O'Brien's thinking. The Quadriad mission, as defined by O'Brien, was relatively broad, yet was focused. It was broad because it provided an opportunity for a comprehensive, critical examination of the entire postal system and its problems. At the same time, the mission had at

least a partial focus because O'Brien had drawn specific attention to the possibility of converting the POD into a government corporation.

As shown in the Case Study, the Quadriad had some difficulty in internalizing and operationalizing this somewhat ambiguous mission. In the early stages, the Quadriad used an almost infinite boundary delimitation and attempted to develop an ideal, utopian postal system in a mythical constraint-free environment. In a later stage, the Quadriad tentatively employed fairly narrow system boundaries and searched for possible policy alternatives within the existing system configuration.

Not satisfied with either the utopian or the narrow system approach, the Quadriad devised a simple yet effective classificatory scheme which facilitated identification of yet a third set of system boundaries. The Quadriad began to link together perceived problems and possible remedies in a loose one-to-one relationship. Each problem/solution pair was then classified as to whether the authority and power to accomplish the necessary remedy resided within or without the POD.

The realization which emerged from this exercise was that most individual remedies for individual problems necessitated legislative action and that the POD had little or no control over that action. This necessitated enlarging the system boundaries so as to include the Congress. Next there followed an important, but largely subjective, judgement that the list of individual legislative remedies was so long and so cumbersome as to render it extremely costly (along many dimensions) to accomplish. It was then reasoned that given limited resources, the most likely outcome would be that only some

partial list of remedies could be accomplished before costs exceeded resources. Again, an important, but subjective, judgment was made that any partial sub-set of legislative remedies could not and would not fundamentally change or significantly improve the nature and operation of the postal system.

The foregoing line of reasoning, largely inspired by the Quadriad member with a legal background, ultimately led to the conclusion that what was needed was a restructuring of basic institutional relationship so as to drastically lessen the dependency of the POD on the Congress. Thus, a consensus finally emerged over a system boundary delimitation which included major institutional relationships, but focused particularly the Congressional POD interface.

Given that relatively broad and complex system within which to search for policy alternatives, the efforts of the Quadriad became more search-oriented, with system boundaries thereafter accepted as given. Of course, these various decisions, conclusions, and shifts of emphasis were not discrete, sequential events which occurred at finite points in time. Instead, there were emergent patterns of behavior which were the result of a recursive, dynamic, deliberations within the Quadriad.

It is of interest to note that the system boundaries originally tentatively defined by PMS O'Brien on a very intuitive basis were nearly identical with the boundary definition ultimately arrived at by the Quadriad as the result of a considerably more analytical process. While I do not accept the thesis that O'Brien in any sense imposed his definition of the system boundaries on the Quadriad, it is highly probable that, as is described in the Case, some mutual

influence process became operative near the end of the Quadriad's operations. This, however, was a complex and subtle relationship which does not undermine the legitimacy of characterizing the deliberations and conclusions of the Quadriad as being quite independent and analytical. What is particularly important here is the fact that through somewhat different processes, both O'Brien and the Quadriad ultimately reached a very similar definition of the boundaries of the relevant policy system.

The operational effect of the Quadriad's work in this regard was essentially to confirm O'Brien's early, intuitive "feel" for the appropriate system boundary delimitation. The work of the Quadriad resulted in a sophisticated articulation of the nature, scope, and intensity of the Congressional/POD interface. Similarly, it produced an elaboration of the main inter-connections among the principal policy target areas. However, I found no evidence that the Quadriad, in fact, discovered or even significantly reconceptualized any new relationships or inter-connections among sub-systems in the postal system, or among the major policy target areas.

Since the Quadriad Report itself focused primarily on the results of the efforts of the task-force, most of the richness of the process was not recorded. The Report does, however, contain at least one significant indication of the difficulty experienced in resolving the issue of system boundary delimitation. In an early section which sets forth a number of the assumptions which limited the scope of the investigation, the Report states:

"The governing idea was to produce a proposal that would involve the least possible dislocation of the nature and traditions of the Post Office." (p. 1)

In a later section entitled, "What Needs to be Done", the Report states:

"The establishment of an organization that will provide the services now being rendered by the Post Office Department without its present deficiencies will call for a departure from postal tradition." (p. 13)

In summary, this portion of the analysis of the Case tends to confirm the earlier theoretical suggestion that a policymakers's "definition of the situation" molds his decision as to the boundaries of the system he will deal with. Furthermore, the case data supports the notion that the boundary delimitation decision circumscribes the field of search for policy alternatives, and that the system and issue boundaries set early in the process tend to influence the scope and direction of latter activities and decisions.

9H. Policy Instruments

The framework suggests that another significant strategic decision issue is the selection and utilization of policy instruments. For purposes of this study, policy instruments were earlier defined as mechanisms which facilitate the transformation of policy strategies into policy plans and actions. In the Conception and Birth Phase there were three strategic decisions regarding policy instruments.

These were:

- 1) the decision to establish the secret task-force (Quadiad).
- 2) the decision to deliver the public speech proposing postal reform.
- 3) the decision to establish the Presidential Commission.

Let us examine each of these three strategic decisions individually.

9H1. The Decision to Establish the Secret Task-Force. Use of the task-force as a policy instrument is, of course, not a new phenomenon in American Government.⁽²⁰⁾ Nathan Glaser has pointed out that the task-force phenomenon reflects the fact that there is no other institution the policymaker can call on that will give him what he needs:

- 1) fast enough.
- 2) cheaply enough.
- 3) with a fresh outlook not tied to existing vested interests.
- 4) without necessitating any return in terms of publicity.⁽²¹⁾

However, perhaps the most important feature of the task-force mechanism is that it offers the policymaker the option of accepting, modifying, or rejecting any resultant task-force proposal(s), with little expenditure of policy resources.

In some circumstances, the policymaker may prefer not to publicize even the existence of a task-force. This might be true whenever the policymaker desired to:

- 1) maintain an open option regarding the initiation of policy.
- 2) preclude influence from pressure groups.
- 3) to maintain tight control over an embryonic situation.

Analysis of the case data strongly suggests that several of the above factors influenced O'Brien's basic decision to establish the Quadriad, as well as the subsidiary decisions regarding its composition and mode of operation. For example, in our interview with him, O'Brien made it quite clear that a central objective of his was to obtain a fresh and independent look at postal problems and some potential solutions.⁽²²⁾

The task-force mechanism was ideally suited to this purpose. Especially so, when composed of competent, young, new and trusted advisers who owed no allegiance to the existing order and whose thinking could be forward-looking, unhampered by the norms and predispositions of the present organization. The individuals whom O'Brien assigned to the task-force owed their primary loyalty to him, not to the POD. Therefore, they were relatively uninfluenced by the internal rewards and sanctions system of the POD and could afford to be (indeed had to be, to meet O'Brien's expectations) free and independent thinkers. Their academic and professional competence compensated for their lack of experience in postal affairs. This very "lack of experience" left them open to reconceptualizations of the problem and to search for innovative solutions.

Similarly, O'Brien's desires to maintain open options, to prevent the influence of both internal and external special interest groups, and to personally maintain overall control of a fluid, evolving situation, were quite effectively met by imposing a mode of total secrecy on the operations of the Quadriad. The isolation of the Quadriad from all outside influences as well as from even the rest of the top management team in the POD allowed the task-force an unusually high degree of flexibility and freed it from many of the problems often associated with such advisory groups.

The secrecy also gave O'Brien the option of wholly or partially ignoring ultimate Quadriad recommendations. Their recommendations could be modified or rejected without having to pay the political and other costs usually associated with any such decision, when publicly made. And perhaps most importantly, the secret mode allowed O'Brien to

maintain complete control over the evolving policy process. Especially significant in this case was his total freedom to decide on the method and timing of any change proposals.

Of course, the virtually total isolation of the Quadriad, while advantageous for some purposes, was at least potentially costly along other dimensions. The secrecy mode minimized the degree of learning feedback the Quadriad could benefit from, and it severely limited opportunities for meaningful inputs from "outsiders". Thus, the isolation forced the group to rely on a limited pool of resources and to treat all issues virtually *de novo*.

In addition, the secret mode of operation had some dysfunctional consequences in terms of lost opportunities for recruiting support through participation and education, and it completely eliminated any opportunity for cooptation of opposition forces. Finally, the secrecy prevented the Quadriad from testing the validity or feasibility of either tentative or final conclusions or recommendations through exposure to any outside judgment.

To some extent, some of the above problems were offset by the multi-disciplinary backgrounds of the Quadriad members and by the inter-disciplinary nature of their deliberations. However, over time, the Quadriad became more homogeneous and shared group values and norms emerged.

On balance, O'Brien's decision to utilize a secret task-force was a strategic choice of a policy instrument quite well suited to his needs and objectives. While it is doubtful that he was consciously aware of all of the theoretical and practical ramifications discussed here, I have concluded from all available data that most of the impor-

tant aspects were at least intuitively sensed by O'Brien. This, of course, highlights the potentially important influence of intuition and trained judgment on the policy formation process.

9H2. The Decision to Deliver the Public Speech. The second strategic decision regarding a choice of policy instruments was O'Brien's decision to use a public speech as a "trial balloon" for the postal reform concept.(23) Clearly, O'Brien perceived the need to test the policy feasibility of the postal reform concept and a number of alternative mechanisms were available to do this. It would not be appropriate here to attempt to evaluate the goodness of the alternative chosen by O'Brien. Rather, we will seek out some of the ramifications of the particular policy instrument chosen in this instance and examine the potential strategic importance of such choices in the more general case.

In the Conception and Birth Phase, O'Brien's choice of a public speech as a policy instrument had deep implications for the evolving policy formation process. This choice offered an excellent feasibility testing forum, one with minimum risk to the prestige and power of the President. The particular audience (intentionally selected) provided an opportunity for informed feedback, while simultaneously allowing wide public exposure to the postal reform concept.

The public speech (as a policy instrument) triggered widespread press reactions. This created an energy input which sustained the policy process during the extremely fragile Conception and Birth Phase. This energetic input, in the form of an outpouring of public opinion,

greatly enhanced the confidence of O'Brien and was instrumental in his persuading both Califano and President Johnson of the need for further strategic action. This same burst of energy served to suppress potential criticism and to delay formation of any opposition coalition.

Thus, while it is completely uncertain what the ramifications of choosing any other policy instrument might have been, it is quite certain that the particular choice made in the Postal Reform Case resulted in the release of energy (conceptually analogous to the creation of negative entropy) which sustained the policy formation process during perhaps the most critical phase of its life cycle and facilitated follow-on strategic decisions which precluded an infant death.

Focusing on the choice of a public speech as a policy instrument not only helps us to better understand the Postal Reform Case but also underscores the general strategic importance of choices regarding policy instruments.

9H3. The Decision to Establish the Presidential Commission. The final strategic choice of policy instruments in the Conception and Birth Phase was the Johnson Administration's decision to establish the Presidential Commission. At this stage of the analysis it would be premature to attempt to deal with the many ramifications of this important strategic decision. A great deal of attention will be devoted to this issue in the analysis of the Crystallization Phase. However, one point worthy of note here is that the three policy instruments chosen during the Conception and Birth Phase were quite complementary with an apparently cumulative impact. This need not be true in other cases. Too little

is known about the impact of linkages among multiple policy instruments.

The Case does suggest that the establishment of the Presidential Commission did several very important things in terms of influence upon the subsequent development of the policy formation process. As a result of this decision, the postal reform concept was legitimized and dignified; sponsorship was implicitly escalated from O'Brien the politicain to the Johnson Administration. Distinguished citizens publicly agreed that the idea had high surface validity and was worthy of serious study. The Commission provided a formal, systematic mechanism for serious, independent analysis of O'Brien's proposals, for the search for other alternatives, and an arena in which support and opposition could be voiced. In any event, there is little doubt that this early strategic decision regarding a choice of policy instruments had a profound influence upon subsequent decisions and events. Once again, the general utility of the examination of strategic choices of policy instruments as an aid to policy analysis and policy research is strongly suggested by the circumstances of the Postal Reform Case.

9I. Policy Feasibility

A major dimension of the conceptual framework is the development of the concept of policy feasibility. In Chapter Five, policy feasibility was defined in terms of three main components: economic feasibility; organizational feasibility; and political feasibility. Before concluding this analysis of the Conception and Birth Phase we will examine the degree to which the main policy actors attempted to explore policy feasibility and the impact this had on their decisions and actions.

9III. Exploration of Policy Feasibility by the Quadriad. Although O'Brien had instructed the Quadriad members not to let political feasibility considerations constrain their thinking and deliberations, the Case confirms that, especially in its later stages, the Quadriad was, in fact, quite sensitive to the feasibility dimension. The Quadriad Report indicates that one aspect of the task was to deal with the, "likely success of alternative solutions." Our interviews with Quadriad members indicate that operationally this meant a consideration of the feasibility of any recommended solutions. Thus it was that the early consideration of the alternative of transferring the postal system to private ownership was rejected primarily on the basis of an assessment of low economic and political feasibility. Despite an apparent sensitivity to the feasibility dimension, the exploration of policy feasibility appears to have been a highly subjective matter based primarily upon the intuitive perceptions of the individual actors. I saw no evidence of any attempt to systematically assess policy feasibility.

Organizational feasibility was not explicitly dealt with, but it was implicit in one of the key decisions made by the Quadriad. For example, one member indicated that he did not feel particularly well qualified to render feasibility judgments and that he deferred to others on this dimension.⁽²⁴⁾ However, this same member was the individual who argued most strongly for a major change strategy (vice a piecemeal approach) because he felt that piecemeal legislative relief would do little or nothing to modify the attitudes and behavioral patterns of the postal employees and managers who would have to implement whatever

policy changes were mandated by the Congress.

This Quadriad member advocated both to his colleagues and to O'Brien a change of strategy which would fundamentally alter the historical pattern of relationships between sub-systems of the postal system. He argued that only through creation of an autonomous postal service would postal management achieve the managerial flexibility to create an organizational system of rewards and sanctions which would provide the incentive and mechanism for attitudinal and behavioral modification within the implementation system.

Other Quadriad members were not unsympathetic to this line of argument and eventually a consensus evolved in support of this view. The consensus emerged not only because of the arguments advanced in favor of the major change strategy, but also because of the concomitant assessment of the low political and economic feasibility of the incremental change approach. Thus, the Quadriad Report concluded that "the potential legislative success of the preferred recommendation is not significantly less than that of any single meaningful change."(25)

The Quadriad was also sensitive to the role of public opinion as an essential means of molding political feasibility. Thus, the Report additionally concluded that;

"...the public interest would be captured by a bold, imaginative and timely proposal, thus endowing the total program with a greater likelihood of Congressional approval than any single change..."(26)

This sensitivity to the role of public opinion and the general awareness of policy feasibility evidenced in the work of the Quadriad is probably best understood in terms of one member's explanation that the Quadriad was well aware of O'Brien's public image, his special relationship with

the Congress and with the President. In short, they implicitly recognized that their Report to O'Brien was not so much a vehicle for convincing him as it was a basis for him to deal with other external, largely political, interests. This was an aspect that was not the subject of great debate and discussion; it was something the Quadriad members just "knew."(27)

912. Feasibility Considerations from O'Brien's Perspective. Given his reputation and background, it comes as no surprise that O'Brien was acutely aware of policy feasibility dimensions. Except to the extent that the establishment of the Quadriad may be considered as an attempt on O'Brien's part to bring about a systematic exploration of the policy feasibility of the corporate alternative, his many other attempts to assess and mold feasibility were largely non-analytical, intuitive, experience-based judgements on his part.

O'Brien's instructions to the Quadriad not to be constrained by considerations of political feasibility appear to reflect his serious intention to encourage the Quadriad to search for new alternatives, unhampered by the conservative bias usually associated with considerations of political feasibility, as well as by his understandable feeling that he, personally, was much better qualified to assess the political feasibility of any alternative proposed by the Quadriad.

O'Brien's keen awareness of the feasibility aspects of policy formation is well demonstrated by his behavior in the Conception and Birth Phase. O'Brien's decisions regarding the establishment of the Quadriad might usefully be interpreted as being at least partially motivated by a desire on O'Brien's part to have an independent, sys-

matic assessment of the economic and technical feasibility of the corporate proposal. In addition, O'Brien's memorandum to the President, his liaison with Califano and Schultze, his planning for the public speech, and his role in the establishment of the Presidential Commission, can all be viewed as attempts to assess and mold the political feasibility of his reform proposals. An important point suggested by the pattern of O'Brien's actions, as well as by actions of the Quadriad, is the close inter-relationship between strategic decision-making and assessments of policy feasibility. Another important factor demonstrated by the Conception and Birth Phase of the Postal Reform Case is the important role of public opinion in molding political feasibility. A final significant point which emerges from this analysis of the Case is that despite the overall sensitivity to the political (and to a lesser extent the economic) aspect of policy feasibility, little explicit attention was paid to the organizational feasibility dimension. Nonetheless, certain aspects of organizational feasibility appear to have implicitly influenced the deliberations of the Quadriad. Any consequences of not having paid more attention to the implications of organizational feasibility are not likely to become obvious until the implementation stage.

9J. Policy Actor's Motivations

Policy actors' motivations is included in the framework as a means of focusing analysis and research attention on this potentially powerful explanatory variable. Inclusion of this dimension is not intended to suggest any detailed probing of the psychological and psychiatric deter-

minants of individual behavior. Instead, this dimension was included in order to establish a focal point for stimulating examination of the policy actors' goals, objectives, roles, personal aspirations, competencies, and idiosyncracies which have relevance to the particular policy formation process under study.

In the Conception and Birth Phase, PMG Lawrence O'Brien was the dominant policy actor. Therefore, in this section we will examine some of the more important factors which appear to have influenced O'Brien's behavior--especially those factors which influenced his strategic decisions.

9J1. Policy Actor Capacity. First, we will want to look at some dominant personal characteristics of O'Brien the man. O'Brien's description of himself, and the perceptions of him held by others, are remarkably similar. They suggest a man of action, a master politician, and an individual, who, once committed, is very capable of turning total commitment into dramatic accomplishment. These characteristics are clearly discernible in the following remarks made by O'Brien during our interview:

"I personally--in terms of my personal motivations--did not want to become involved or become locked into a dead-end job. And that is somewhat the light in which I saw the traditional PMG job, albeit it was a Cabinet level position, etc. But, given my background and experience, I saw that if things were to take their normal course, this would not be a particularly exciting or challenging spot in which to come to rest.

I, too, would attempt to do something more with the job than the historical expectations of the latest political hack.

I have always done things "whole hog" so to speak. I take full charge of any particular job and I see it in its broadest perspective. You might say, of course, that I was influenced by my previous experience in the White House and my long-term experience in dealing with Congress on many issues, but, by nature, I was what might be called a "big picture" man." (28)

Comparing these characteristics of the man with the historical nature and scope of the PMG position, tends to suggest that the routine job of PHM was "too small" for O'Brien. Applying the concept of "policy actor capacity", we can see that, based upon his competence, prior experience, and expectations, O'Brien's capacity far exceeded the routine requirements of the position. Viewed from this perspective, O'Brien's policy initiatives vis-a-vis postal reform can be understood as the behavior of a man trying to expand the scope and importance of his role so as to closer fit his immense policy actor capacity.

9J2. Perception of Crisis Syndrome. As noted in the Case, a number of O'Brien's critics charged that his postal reform policy initiatives were primarily a crisis-response to serious operational problems in the POD and a rising chorus of external criticism. Most of these criticisms were in one way or another related to problems the Johnson Administration was then having in its attempts to raise both postal wages and postal rates, or to the so-called Chicago Crisis. The problems connected with the legislative battle over rates and wages were perennial problems faced by many of O'Brien's predecessors. The Chicago Crisis, on the other hand, was a more personal criticism of O'Brien; one pointed to by many as evidence of inept management on O'Brien's part. In reality, it was a rather complex situation attributable to a number of different "causes".

Our interviews elicited numerous conflicting "explanations" for the Chicago situation. However, the question of whether that breakdown was an advance indicator of impending, widespread collapse of the entire postal system, or whether it was more of a local, sporadic, and isolated

episode, has never been satisfactorily answered. Despite these differing "explanations", there was fairly common agreement among those we interviewed that whatever its cause or significance, the Chicago Breakdown served to intensify already emerging perceptions of crisis and to stimulate an awareness of a need for drastic systemic change.

The case data does not convincingly link causally the Chicago Crisis and O'Brien's reform proposals. Thus, I cannot accept the rather simplistic notion expressed by several participant observers that the Chicago Crisis is the single or dominant explanatory variable to be used in understanding O'Brien's behavior. Nonetheless, analysis of the case leads me to the conclusion that the Chicago Breakdown acted as a catalyst to stimulate further articulation of a general crisis syndrome. The overall perception of this crisis syndrome no doubt accelerated the timing of some of O'Brien's strategic decisions, but is not sufficient alone to explain O'Brien's general pattern of behavior regarding the postal reform policy initiatives.

9J3. Images of Political Utilities. Both friend and critic alike have supported O'Brien's reputation as a master politician. Therefore, to omit potential political gain as a possibly significant motivation would be quite naive. Although the term "master politician" lacks any precise definition, there was little doubt that it was meant to include a capacity for recognizing opportunities for action. This is not to suggest simple opportunism in the sense of exploitation of a situation for short-term political gain. Rather, it is meant to connote a capacity to recognize, long before others did, that unfolding environ-

mental forces were creating an opportunity to accomplish something perceived to be worthwhile.

There is no doubt in my mind that O'Brien sincerely believed that postal reform was a "good government" cause which would result in widespread benefits to the United States. Beyond this, however, I feel that O'Brien clearly perceived that postal reform was not intrinsically a partisan issue--it was one which could well fit the ideological orientation of either political party. Therefore, O'Brien was astute enough to realize that the policy initiative could as well come from a Republican as from a Democratic Administration. Timing of the policy initiative thus became a critical motivating factor. O'Brien vividly perceived that timely action was necessary if any political credit was to be gained by the Democratic Party. This is well reflected in his previously cited memorandum to President Johnson in which he wrote:

"Thus I believe my suggestion that the department be removed from the Cabinet and recast as an independent, public corporation is right in logic, but it is also right politically.

It will pull the rug out from under the Republican critics, for I am convinced from discreet soundings in Congress that unless we take the initiative, the initiative will be taken from us."

I conclude, therefore, that O'Brien's image of the potential political utility of the postal reform proposal for the Democratic Administration then in power was a significant motivating factor. However, there is no intent here to impute any pejorative implication to such "political" motivation. Political here means a capacity for sensing an opportunity to accomplish something perceived as being worthwhile. This, of course, includes a desire to have the Democratic

Administration claim credit for a presumably noteworthy accomplishment.

In essence, O'Brien's "selling points" to President Johnson were:

Postal reform should be done, it can be done, and it will be done by somebody else if we (the Democrats) don't seize the opportunity to act.

9J4. Managerial Control. Some of the policy actors we interviewed felt that O'Brien's main motivation was to achieve (or to re-establish) a higher degree of managerial control over the vast postal system. (29) This had particular reference to the historical relationships existing between the POD and "outside" agencies such as the Congress, the Budget Bureau, the General Accounting Office, and the Civil Service Commission. There is no doubt that the governmental bureaucratic structure which had evolved over many years allowed (and in some cases encouraged) a high degree of fragmentation and diffusion in the actual management control of postal affairs. From an operational perspective, this highly fragmented control structure unquestionably added immensely to the numerous frustrations which plagued PMG O'Brien (and most of his predecessors).

Thus, there is little doubt but that a quest for a greater degree of managerial autonomy and flexibility was one of the operational goals of the postal reform proposal. However, this factor was a secondary rather than primary motivator of O'Brien's behavior. O'Brien had no wish to be a lifetime PMG; indeed, in his famous speech, he precluded any possible personal role for himself in any future postal corporation. (30)

But, perhaps more important is the fact that O'Brien knew that postal reform could not command White House and public attention if the central issue was "merely" a drive to increase the managerial flexibility of

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the PMG. From this perspective, the "no control" argument was a second-level motivating factor and emphasis of it was a tactic to enlist the support of businessmen who traditionally have prided themselves on protection of their managerial rights and prerogatives.

In summary, the dimension of policy actors' motivations seems to be a very useful one for gaining insight into the actual operation of a complex policy formation process. In the particular case, there is no doubt that O'Brien was the dominant policy actor in the Conception and Birth Phase. His policy-initiation behavior and his several strategic decisions can be better understood through a network of overlapping motivational factors than it can be if one searches for some single or dominant causal variable. It would be futile, naive, and unrealistic to point to a single variable as the determinant of O'Brien's complex behavior patterns. At best, we can obtain some potential explanatory insight by examining the mosaic of variables suggested here. Of the several we have examined in this section, the dimension of O'Brien's "capacity" as a policy actor is perhaps the most important explanatory variable. However, the most meaningful explanation arises out of the composite and cumulative impact of the several variables which have been highlighted here.

9K. Summary and Conclusions

This section will highlight only the major points from this extensive analysis which bear directly on the framework dimensions concerned with policy strategies. First the experience gained in applying the framework will be evaluated and then we will examine the overall contribution to the policy formation process of the Quadriad

effort and of O'Brien's role. The policy complications of the strategic decisions made regarding the scope and intensity of change will also be reviewed.

9K1. Application of the Framework. We have applied the conceptual framework for analysis to the Conception and Birth Phase of the Postal Reform Case in considerable detail. In general, the framework has proven to be quite useful in facilitating understanding of the operation of the policy formation process. This application demonstrated the existence of a high degree of mutual influence among the major dimensions of the framework. Thus, through application of these sometimes overlapping, multiple dimensions to the same body of data, we obtained a significant measure of cross-validation of our interpretations and conclusions. The individual dimensions of the framework appear to be quite useful in terms of focusing attention of those aspects of a complex process which may prove to be the most productive of insight into the nature and operation of that process.

9K2. Quadriad Contribution. This analysis has shown that the main contribution of the Quadriad lie in its analytical validation of O'Brien's largely intuitive Gestalt feelings as to the broad nature of the problem and the general direction of possible solutions. The Quadriad did not create any innovative breakthroughs in problem formulation or solution generation. Rather, it served to validate, crystallize, and elaborate already existing thoughts and to transform these intuitive notions into a more operational policy plan through the

creation of a concept package for postal reform. The analytical work of the Quadriad served to increase O'Brien's confidence in the feasibility of the reform proposals. Their effort also served to enhance the external credibility of O'Brien's recommendations, and to neutralize the stigma of "politics" which would apply to almost any policy proposal advanced by a central political figure.

9K3. O'Brien's Role and Contribution. Diesing has suggested that the possibilities of change are a combination of two variables, "introducibility" and "acceptability".⁽³¹⁾ O'Brien's multiple role contribution to the Conception and Birth Phase was one of increasing the possibilities of change by operating on these two variables. O'Brien's change-agent role precisely fits Diesing's observation that "a change is introducible if a role exists from which it can be introduced and a person with sufficient skill to take the role is available."⁽³²⁾ In terms of acceptability, O'Brien's contribution lie in his perception of the possibilities of opening the system to change through application of a shock strategy.. Furthermore, he coupled introducibility and acceptability by "articulating options beyond the realm of current practice, possible for use now,"⁽³³⁾ and by at least tentative consensus-building and feasibility-enhancing action.

Viewed from another perspective, O'Brien's reform proposal was, in essence, a restatement of earlier ideas, now articulated in an

appealing language and set in a coherent and integrated framework.* Utilizing the Quadriad output and his own political skills, O'Brien fashioned and dramatically presented an "actionable policy package", (34) thus moving beyond the stage of mere suggestions, however innovative. O'Brien's multiple roles lent political credibility to the reform idea. Until O'Brien took the case, postal reform was considered to be politically untouchable.

O'Brien's behavior during this phase also demonstrated the important role of individual variables in shaping the policy formation process. O'Brien's personal motivation, commitment, intuition, trained experience, overall Gestalt feel, and political judgment were all critical in molding his policy-initiation behavior. This suggests that extra-rational, heuristic processes may be an influential element of the total policy formation process.

9K4. Scope and Intensity of Change. Possibly the most significant strategic decision made during the Conception and Birth Phase was the definition by both the Quadriad and O'Brien of the scope and intensity of change. An explicit decision was made by O'Brien to utilize a radical vice incremental (or piecemeal) change strategy.

*This is a good demonstration of Richard Scammon's recent description of national policymaking in America:

"...There really aren't any new solutions. There are modifications and adjustments. Most good ideas have already been thought of. You don't really come in...with a totally new concept. You improve this, polish up that. You take a plan that was discarded four years ago, and you pull it out and look at it. And, maybe, you salvage points one, eleven, and twenty-nine."(35)

This critical decision was influenced by many factors, but O'Brien's personal motivation and predilection for major, dramatic moves, and the Quadriad's conclusion that radical change would be no more (and possibly less) costly than incremental change, were very important determinants.

O'Brien's strategic preference for radical change, and the rationale supporting it, tend to challenge existing theories about this fundamental strategic choice, and especially the theories of incrementalism expounded by Charles Lindblom. This Case suggests that there may be circumstances under which policymakers do intentionally choose the radical change strategy and where the theory of incrementalism is inadequate both descriptively and prescriptively.

9K5. Policy Implications. Overall then, we have seen that during the Conception and Birth Phase, the policy process was energized by O'Brien's policy initiatives which grew out of the analytical validation and elaboration of opportunistically oriented, intuition-based thinking on the part of a skillful individual who was willing and able to "take" a role which facilitated change introducibility and acceptability. Analysis of this Phase also demonstrated the explicit choice of a radical change strategy (vice an incremental strategy) and suggested the high leverage of such a strategic decision in terms of its influence on the nature and direction of the ensuing policy formation process.

Notes for Chapter Nine

- 1) From interview with former PMG O'Brien, p. 15.
- 2) Elizabeth Drew, "On Giving Oneself a Hotfoot: Government by Commission", Atlantic Monthly, May 1968, pp. 45-49.
- 3) Frank Popper, The President's Commissions.
- 4) Alan L. Dean, "Ad Hoc Commissions for Policy Formulation?", in Thomas E. Cronin and Sanford D. Greenberg, The Presidential Advisory System; New York, 1969, pp. 101-123.
- 5) From interview with former PMG O'Brien, p. 15.
- 6) Based on an undated memo from PMG O'Brien to Fredrick Kappel on the occasion of Kappel's appointment as Chairman of the President's Commission on Postal Organization.
- 7) From interview with former PMG O'Brien, p. 15.
- 8) Memorandum for the President from PMG Lawrence F. O'Brien, March 22, 1967, p. 2.
- 9) Ibid., p. 1.
- 10) "Report on Improving the Postal Service: Should the Postal Service Be More Autonomous?", prepared for the Postmaster General by a Special Task Force, March, 1967, p. 17. This document is commonly known as the "Quadriad Report".

- 11) Ibid., p. 3.
- 12) From interviews with various Quadriad members.
- 13) From interview with former PMG O'Brien, p. 7.
- 14) Ibid., pp. 14-15
- 15) Quadriad Report, op. cit., p. 17.
- 16) O'Brien interview, op. cit., p. 8.
- 17) Noted in an internal Bureau of the Budget memo of December 23, 1966, from Mr. Cohen to Mr. Benton (General Government Division); Subject: "Budget Message - Inclusion of a paragraph proposing a Presidential Commission to Study Post Office Organization."
- 18) This interpretation is strongly implied in the content of the long interview with former PMG O'Brien.
- 19) "Postal Complex" is a term coined by Arthur D. Little, Management Consultants hired by the Kappel Commission. The term was intended to connote a system of institutional relationships.
- 20) For an extensive review of the role of the task-force in policy formation, see Norman C. Thomas and Harold L. Wolman, "Policy Formulation in the Institutional Presidency: The Johnson Task Forces" in Cronin and Greenberg, op. cit., pp. 124-143.
- 21) Nathan Glaser, "On Task-Forcing"; The Public Interest, No. 15, Spring, 1969.

- 22) O'Brien interview, op. cit., pp. 7-8.
- 23) Ibid., p. 14.
- 24) From interview with former Quadriad member, Mr. Lawrence Lewin, p.2.
- 25) Quadriad Report, op. cit., p. 17.
- 26) Ibid., p. 17.
- 27) From interviews with various former Quadriad members.
- 28) O'Brien interview, op. cit., p. 6.
- 29) This suggestion was made by several respondents, including Mr. Richard Murphy, former Assistant Postmaster General for Personnel, and refers to an exchange which took place in 1967 between former PMG O'Brien and the Chairman of the House Postal Appropriations Subcommittee in which the "no control" label was coined. Quoted in "Towards Postal Excellence" - The Report of the President's Commission on Postal Organization, June, 1968, p. 34.
- 30) See transcript of an address delivered by then PMG O'Brien before the Magazine Publishers Association and the American Society of Magazine Editors, Shoreham Hotel, Washington, D. C., April 3, 1967; reproduced in POD Press Release of same date, p. 9.
- 31) Paul Diesing, "Non-economic Decision-Making", Bobbs-Merril Social Sciences Reprint PS-65, pp. 21-22.
- 32) Ibid., p. 22.

33) Richard Kostelanetz, "Alternative Thinking", The Humanist; Fall, 1971 p. 22.

34) A remark attributed to Richard Scammon in Nelson W. Polsby (ed.), Congressional Behavior, New York, Random House, 1971.

35) For the concept of "policy packages", see Herman Kahn and Anthony Wiener, The Year 2000: A Framework for Speculation of the Next Thirty-Three Years.

Chapter Ten

Selective Analysis of the Crystallization Phase

10 A. Introduction and Overview

The analysis of the Crystallization Phase of the Postal Reform Case will generally follow the major dimensions of the conceptual framework. However, in the interest of brevity, this and subsequent portions of the analysis will be somewhat less detailed than was the analysis of the Conception and Birth Phase. In this chapter, the emphasis will be on those broad aspects of this Phase of the Case which have major implications in terms of the strategic dimensions of the policy formation process.

The analysis will begin with an examination of the several Strategy Types relevant to the behavior of the policy system. Next the most important of the Strategic Decision Issues included in the framework will be examined. A major focus will be on the decisions of the Kappel Commission regarding the Scope and Intensity of Change. Finally, the strategic implications of behavior related to the exploration and molding of policy feasibility will be scrutinized.

10 B. Strategy Types

The framework suggests attention to three main sets of strategy types: 1) Comprehensive vs. Narrow Focused Strategies; 2) Dis-equilibrium vs. Balanced Strategies; and 3) Identical vs. Mixed Strategies. This chapter will briefly examine these three strategy sets within the context of the Crystallization Phase of the Postal

Reform Case. During this Phase, the operation of the Kappel Commission was the dominant activity influencing the policy formation process.

10 B1. Comprehensive Vs. Narrow-Focused Strategies. This strategic dimension deals with the degree to which policy action will be focused on a broad range of policy components or only on a few, or even on a single component. As already pointed out in Chapter Three, "more comprehensive" does not necessarily mean "more important" or "more significant", because of the possibility of achieving critical mass thresholds by focusing scarce policy formulation resources on only a few strategic controlling variables.

Analysis of the deliberations of the Kappel Commission according to the explicit and implicit strategies involved suggests that the Commission utilized the comprehensive strategy regarding the analytical phases of its work, while applying a more narrow, focused strategy in its decisional processes, especially regarding the scope and intensity of change and the choice of policy alternatives. The Commission strategy regarding its analytical efforts was clearly a comprehensive one, as was stressed in the definition of the mission of analysis to be performed by the general contractor. This definition included, *inter alia*, the analysis:

"...of all activites within the Postal Establishment and all external considerations which significantly affect Postal Operations..." (1)

While recognizing that it would be wasteful to delve into trivial matters or attempts to be overly precise in lower level operational problems, the Commission did recognize that it also needed a body of

reference information larger than that needed for decision-making purposes:

"...in order to be able to successfully meet the arguments that are certain to be raised in public debate by the numerous interest groups that will be affected regardless of what the final recommendation may be." (2)

In its basic decisional processes regarding the scope and intensity of change and regarding a choice of policy alternatives, the Commission finally adopted a rather narrow, focused strategy. This means that the Commission decided to have the main line of inquiry deal with a relatively narrow range of policy variables which were considered to be critical by the Commissioners and the Staff. The Commission strategy to emphasize structural variables as the controlling variables for achieving a critical mass threshold for opening the system to a future set of changes is explicitly stated in a position paper presented by the Executive Director:

"The transfer to a governmental corporation will serve as a vehicle accomplishing a series of reforms: replacement of Civil Service by a modern system tailored to postal needs; elimination of the inflexible and special-interest oriented rate-setting process now used; creation of a capital investment fund augmented by broad financing and an operating account funded directly by revenue, etc." (3)

Careful examination of the Commission Report and our interview data reveals that the corporation approach was primarily a vehicle for overall system reorientation and the accomplishment of changes in structure, decision-making modes, personnel and organizational climate, etc. Rather than attempting to deal with particular decisional issues (such as rate-making or labor-management relations), the Commission chose to focus on structural variables. The objective

was to create a decision structure within which the new management would have the flexibility and authority to deal with discrete policies. Thus, the Commission was well aware of the distinction drawn in the early definition of policy (see Chapter Two) between decision-making and policy-making. Thus, I conclude that adoption of the corporate approach was perceived by the Commissioners and the Staff as a mechanism for achieving a critical mass which would facilitate ultimate system change.

10 B2. Disequilibrium vs. Balanced Strategies. Disequilibrium strategies are seldom used because of the risks and costs involved. When the main aim is to "shock the system" and open it to change, rather than carefully controlling the direction of change in policy, the disequilibrium strategy appears to be more appropriate. One of the potential advantages of recommending changing the structure of the Post Office into a governmental corporation lies not in the likely results of those changes themselves, but rather in the shock that has thereby been dealt to the postal system. Such a shock may result in movement of the entire system out of its routine behavioral patterns. Once so moved, it may not return to its original immutable position, thus, at least potentially opening up the prospect for other more important changes which were not feasible before the former system equilibrium had been disrupted through the application of sufficient shock power.

Although it is not clear that such a strategy was explicitly considered by O'Brien, the Quadriad, and the Kappel Commission,

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there are strong indications which suggest that this was one of the hidden objectives implicit in the Quadriad and the Commission recommendations. O'Brien, the Quadriad, and the Kappel Commission saw the corporation idea as a vehicle to shock the system, to bring about a dramatic break with the past, and to open it to a set of synergistically related future changes in decisional and operating modes (such as personnel, financing, rate-making, etc.).⁽⁴⁾ Of major theoretical significance here is the fact that intentions behind behavioral actions in the policy formation process are rarely explicit. A policymaker does not start his day by saying, "today I will take certain actions which will shock the policy system and open it to change." However, he may nonetheless take such actions, partly intuitively, partly implicitly, and partly unknowingly. The value of the conceptual framework is to focus policy analysis in a manner which results in probing beneath surface "explanations" of policy behavior, by searching for intentions, motivations, and objectives not fully recognized by the policy actor himself. Frequently, such (individual and institutional) behavior can only be understood when it is contextualized and viewed from a holistic perspective which is sensitive to linkages and inter-connections between various strategic sub-decisions.

10 B3. Identical Vs. Mixed Strategies. As noted in the earlier theoretical discussion of policy strategies (see Chapter Three), strategy decisions may be monolithic or tailored to specific policy areas. As noted above, the Commission did, to a minor degree, employ

mixed strategies by using a comprehensive strategy in respect to its analytical approach; a more focused-narrow strategy in regards to its basic decisional processes; and a disequilibrium (shock) strategy at the system level (explicitly or implicitly) in terms of policy alternative selection. However, in the broadest perspective, the overall patterns of behavior of the Commission reflect a tendency towards use of identical strategies (i.e., radical change). I found no strong evidence to indicate explicit consideration by the Commission of the potential benefits to be realized from pursuing mixed strategies vis-a-vis different policy target areas.

10 C. The Decision to Make a Policy Decision

In the preceding analysis of the Conception and Birth Phase (see Chapter Nine), we noted that the strategic issue of the "decision-to-make-a-policy-decision" was resolved in favor of not making a decision. At least, a decision was made not to have President Johnson publicly support PMG O'Brien's postal reform proposals. Instead, the issue was hedged by substituting a subsidiary sub-decision to create the Presidential Commission. This action served to keep the reform idea alive, to capitalize on momentum built up by the reaction to O'Brien's speech, and to raise the level of implicit sponsorship from the PMG to the President of the United States, while carefully leaving the White House open options regarding policy initiation.

As the Case indicates, most of the Crystallization Phase was dominated by the activity of the Kappel Commission which worked from

April 1967 to June, 1968. During this time, there was no real necessity for the policy system to directly deal with the strategic dimension of a decision-to-make-a-policy-decision, and this was beyond the scope of the mission of the Kappel Commission.

When the formal Commission Report was delivered to President Johnson, his public response was non-committal. He directed that the Budget Bureau and the new PMG review the Report and deliver their recommendations to him. Thus, once again, the decision-to-make-a-policy-decision was finessed and an extremely important "non-decision" began to have its impact on the policy formation process.

Another important background factor discussed in the Case is PMG O'Brien's resignation from President Johnson's Cabinet in April of 1968, just a few months before the formal issuance of the Kappel Commission's Report. As the Case demonstrates, O'Brien's successor, Marvin Watson, was a close personal advisor to President Johnson and had served in that capacity even when O'Brien was appointed to PMG. Upon taking over the POD, Watson (for reasons explored later) chose to oppose the postal reform concept, at least in regards to the structural alternative suggested by O'Brien and subsequently advocated by the Kappel Report. Watson undertook an extended study of the Kappel Report but meanwhile made public statements against its central recommendations and indicated a strong personal preference for a program of facilities modernization vice system redesign.

During this period, Watson remained a close confidant of the President's, while O'Brien had left the policy stage, so to speak, and had entered private life. During our interview with him,

O'Brien ruefully recalled this period in the following words:

"...my leaving (resulted) in a sort of wearing away of the momentum and focus and the drama of the things which had been built up to that point in time. My successor in office certainly did not share my or Califano's enthusiasm for postal reform...Watson's lack of enthusiasm for the whole program certainly dampened the President's ardor for the whole package."

"Well, the key moment, of course, and the key issue which would decide the fate of things was the moment that the Kappel Report was issued , and the question of Presidential reaction had to be faced up to. Because of my contacts with Califano, I was aware that President Johnson was cool* at best to the recommendations of the Kappel Report. This would not have happened had I continued to serve as PMG and kept alive our original program..." (5)

In applying the framework to President Johnson's decision not to make a decision regarding the main recommendations of the Kappel Report, it would be helpful to probe behind the surface "reasons" for Johnson's behavior. This is an extremely difficult task in any situation, but obviously all the more so in the case of the President of the United States. Nonetheless, based on the case data and supporting interviews with key policy actors, I have identified the following three main explanatory clusters of variables regarding this crucial "non-decision" on the part of President Johnson:

1) Watson's strong opposition to the essence of the Kappel Report recommendations; namely, the creation of a governmental corporation and removal of the PMG from the Cabinet. After O'Brien left the Post Office, Califano was the only strong advocate for the postal reform idea left within the White House inner-circle. He

* This is at odds with Mr. Kappel's comments during our interview to the effect that President Johnson was pleased with the Report and wanted its recommendations implemented.

faced not only public opposition from the new PMG, but also the existence of a very close working and personal relationship between Watson and the President. Following this explanation, Watson's lack of enthusiasm for the reform program recommended by the Kappel Commission dampened the President's enthusiasm for the whole package.

2) President Johnson's oversensitivity to potential negative Congressional reaction. His long service in the Senate leadership made Lyndon Johnson especially sensitive to the anticipated Congressional reaction. As Seidman notes in his recent book:

"President Johnson saw the outside world through the eyes of Congress, particularly the Senate. Congressional reaction on major issues was for him the most accurate and reliable expression of the national will. As a result, his sensitivity to evolving trends in public opinion and national concern was markedly reduced..." (6)

"In essence, the Johnson system was a network of loyal henchmen (who could be counted on to furnish timely information and help when needed), bilateral negotiation, and meticulous head counts before action. You moved when you had the votes -- and not before." (7)

Watson, in his interview with us, expressed the view that he, and according to his best knowledge President Johnson, saw at that time a very low possibility of getting a postal reform package through the Congress. They judged the Kappel reform recommendations as having an extremely low political feasibility.

3) The third potential explanation lies in Califano's justification of the President's "non-committal" comment on the Report. Califano said:

"The President expects the report to be examined on the basis of what is right since it can't possibly come before the Congress this year. The President can

"decide later whether it would be wise or helpful for him to take a stand." (8)

In addition to the above factors, it seems to us that to explain President Johnson's decision "not-to-decide" we must look further into his personal mode of operation. Johnson's management strategy was based on the assumption that the Executive Branch would work within a policy consensus which the President expected his institutional staff to develop. This strategy often found the President withholding his own view until a consensus had developed. (9) Watson's strong opposition to the Kappel recommendations and the disappearance of reform proponents from the White House and Post Office scene made development of consensus on the Postal Reform issue a virtually impossible task, even with Califano's personal sympathies. There is common agreement that President Johnson's decision "not-to-decide" considerably weakened the reform case, and that his last-moment public endorsement was not enough to break the resistance to the reform idea which had by then begun to coalesce. Once again, the important mutual relationship between time and other strategic decisions becomes clearer.

10 Cl. Watson's Motivation. Given his background as a successful Texas steel executive, one might have expected PMG Marvin Watson to highly favor proposals for applying a business orientation to the POD, as recommended by the Kappel Commission. Because he behaved contrary to these expectations, we are left with the question of why he so strongly opposed the reform idea and why he changed his mind at the very end of the Johnson Administration. Several potential answers to

these questions have been suggested:

- 1) One sort of explanation attributes Watson's opposition to the Kappel Report to a lack of broad political vision. According to this view he decided relatively very quickly that the Congress was not in any mood to embrace the Kappel recommendations and, therefore, he viewed the reform proposal, as recommended by the Commission, as quite unrealistic.⁽¹⁰⁾ This explanation attempts to portray Watson as a political realist, as opposed to a reformer type of personality (e.g., O'Brien or Blount). Setting aside the evaluative comments about Watson's political vision, this explanation seems to have some empirical basis, at least by reflecting clearly his argumentation against the reform proposal⁽¹¹⁾ but it is my impression that this cannot by itself provide a full explanation of Watson's behavior.

- 2) A second explanation suggests that Watson truly believed that postal reform could be accomplished by more incremental changes, mainly by a comprehensive modernization plan within the existing Departmental structure. According to this explanation, Watson simply did not see any magic in the corporate form and also opposed complete removal of the Postal Service from Congressional control. This approach is consistent with his public statements⁽¹²⁾ and with the results of an examination of the POD internal material related to the Watson Task Force study of the Kappel Report.⁽¹³⁾ The main problem with this explanation lies in the fact that it was suggested only by Watson himself and by his close aides. Most of the other policy actors involved in this Phase suggested quite different

motivational variables.

3) The third explanation suggested was that Watson rejected the reform proposal for strictly personal reasons; namely, a strong desire to maintain his position in the President's Cabinet and a strong ambition to map the Departmental future in terms of a long-range "Watson (modernization) Plan," (14) not an O'Brien or Kappel Plan. This explanation was suggested by sources closely involved in the internal workings of the White House during the Johnson Administration. In our interview with Watson, he strongly denied any such motivations, arguing that he really preferred a modernization plan on a purely pragmatic basis. Furthermore, the explanation regarding his desire to keep his position in the Cabinet is a problematic one because when Watson became PMG (4/29/68), President Johnson's decision not to run for re-election was already public knowledge. Thus, Watson was really in an admirable position to advance the cause of removing the PMG from the Cabinet, because he knew that he was going out of office on January 28th with the end of the Johnson Administration. The fact that he did not use this option may suggest that other important reasons were motivating him. Therefore, it seems to me that the explanation provided by Watson himself is the most plausible of the several we have explored.

Watson's last minute strong endorsement of the Kappel recommendations can hardly be characterized as his own initiative. On the contrary, the endorsement came only after a critical White House session during which Califano and to a lesser extent, BOB Director Zwick were successful in getting President Johnson to over-rule

Watson's opposition. As a result of this White House session, the outgoing Administration did, belatedly, publicly endorse the central recommendations of the Kappel Commission. This accounts for the brief, but favorable, comments about postal reform contained in President Johnson's final State-of-the-Union Message. Although Watson joined the President in this last minute endorsement, there seems to be little doubt that his "change of heart" did not reflect any deep-seated support for postal reform. Rather, it is most likely that Watson was acting out of loyalty to President Johnson.

Despite the fact that there were many differing opinions regarding Watson's motivation among the policymakers we interviewed, there was near unanimous agreement that his early and strong opposition to the reform idea is an important reason why postal reform was near infant death at the close of the Johnson Administration.

In summary, the above analysis suggests that personalities play an often significant and very decisive roles in policy formation, and that policy decisions may often depend on idiosyncratic and personal as well as situational variables. In addition, it has highlighted the critical importance of the decision-to-make-a-decision, even when it is made only implicitly, or, as in the Postal Reform Case, is not made at all. This tends to confirm the value of examining the circumstances surrounding such a decision (or non-decision) as an heuristic aid to understanding the policy formation process.

10 D. Time Preferences

The problem of the target time, i.e., when the policy actors wish

the main results of policy decisions to be produced, and the timing of discrete policy-making actions have both been suggested in the framework as another important strategy dimension which may shape the overall policy formation process and the nature of the policy alternatives selected. Time, as a strategy dimension, includes both present decisions on action in the future (the planning mode of policy formation), thus establishing target times for achievement of policy outputs; and decisions on the timing of the policy formation process itself.

In terms of the target time when the main results of the policy are to be produced, the Commission Report used tentative language; "several years." (15) In the Memorandum forwarding the Report to the President, a more operational definition was made and a time span of 4 - 7 years was indicated. (16) This target time referred to the achievement of a self-supporting postal system. The Commission pointed out carefully that adoption of its recommendations "will produce no overnight miracles" (17) and stressed that postal improvement would be a long endeavor.

In this context, the Commission strategy was directed more toward building capabilities for the future than towards achieving fast results in a short time period. In terms of the timing of the policy itself, the Commission strategy was for rapid system redesign. This strategy had considerable impact on the overall Commission decision-making process and on the nature of the alternative selected for action by the policy system.

10 D1. The Private Enterprise Alternative. Thus, the alternative to transfer the entire operation of the Post Office into private enterprise was discarded mainly because of the time preference factor. Commission deliberations reveal clearly that at least some of the Commissioners saw privately-owned and regulated enterprise as the optimal solution, but that such a solution at that time was considered infeasible in the foreseeable future. (18)

Although the Commission Report used very tentative language to indicate that in the future there remained the possibility of private ownership, the internal deliberations of the Commission showed more precisely the Commission views and the impact of the time preferences. In his comments on one of the Report drafts, Mr. Kappel stated:

"The extensive discussion of the governmental corporation in the report gives the misleading impression that the Commission thinks they are the greatest thing that ever happened....this is the closest that government can come to the private business at this time." (19)
(emphasis added)

This comment makes clear that the feasibility consideration within relatively rigid time constraints had an important impact on the nature of the alternative adopted.

This decision was reached in the light of detailed analysis which came to the conclusion that "conversion of the Post Office into a private-owned corporation at this time appears to be outside the realm of possibility." (20) This is a very important point because it highlights the interrelation between the strategic decisions and policy analysis, in the sense that input from analysis led to a re-

evaluation of what had been perceived as a "second best" solution of the time preference factor.

10 D2. Incremental Change. Time preference considerations constituted an important (but not the only) factor in the decision to reject the incremental change strategy. There was a fear that if the incremental strategy was adopted:

"It would be impossible a year or two later to resurrect the issue and move on to the next increment. Public and other interests would be waned--the dramatic element would be lost and getting on with the next step of the reform at a later date just would never happen." (21)

The above definition of the situation, given by one of the actors involved, is supported by other interviews and suggests that in certain circumstances external variables, e.g., crisis, political feasibility, etc., often may establish rigid time constraints which may have an important impact on the nature of the strategy adopted.

10 D3. Time for Analysis. From a broader perspective, time to do analysis is a most critical factor here. Had the perception of crisis or O'Brien's strong desire for rapid action prevailed, the very existence of the Commission would have been in jeopardy. As noted elsewhere, O'Brien would have preferred more rapid action and only somewhat reluctantly agreed to the creation of the Presidential Commission with an extended life. (22) As it turned out, the Commission was hard-pressed to complete its task and its life had to be extended. What is important here from a strategic point of

view is the mutual influence between time preferences, strategy, and analysis.

10 E. System and Issue Boundary Delimitation

The conceptual framework suggests some value in examining the setting and awareness of system and issue boundary delimitation. Let us now focus on such an examination relative to the Crystallization Phase.

10 E1. The Formal Mission of the Commission. The Executive Order which established the Presidential Commission constituted a formal delimitation of the issue and system boundaries. However, the mission definition included therein is stated in such a broad context that the Commission enjoyed considerable flexibility in operationalizing its mission. This freedom enabled the Commission to extend its system boundaries to encompass additional issues and institutional relationships as its investigation proceeded.

10 E2. Commissioner's Perceptions. There is no doubt that the Commissioners perceived their mission in considerably broader terms than "merely" the evaluation of PMG O'Brien's proposal. This point is well substantiated in the Commission's own records in which a broad range of potential issues was identified for possible exploration. (23) Furthermore, the records of the internal deliberations of the Commission, the Commission's own actions, and our interview data, all confirm that the Commission began its work with a broad,

flexible charter which in no way constrained its future operations.

On numerous occasions, the Commission took pains to stress its broad mission and its independence. For example, Chairman Kappel stated:

"You can see that the Commission is charged with doing much more than simply study the possible transfer of the Post Office to a government corporation." (24)

In addition, during our interview with him, Mr. Kappel emphasized that before he accepted the Chairmanship of the Commission, he had a clear understanding with President Johnson as to the broad scope of the mission of the Commission and its independence. Furthermore, Kappel told us that his objective for the Commission was "to determine how to bring about the most efficient/effective postal service-- and to leave the politics to the politicians." (25)

10 E2-1. PMG O'Brien's Input. From a different perspective, this same theme was echoed in a confidential memo sent by PMG O'Brien to the President and to members of the Cabinet, in which O'Brien summarized his initial briefing of the Kappel Commission, made at Mr. Kappel's request. The PMG stated in his memo:

"In my opening statement to the Commission, I emphasized that my proposal for converting the postal service to a government corporation, presented before the Magazine Publishers Association on April 3, was my personal view and that the Commission was directed by the President to look into any and all proposals to provide superlative mail service." (26)

During the briefing mentioned above, PMG O'Brien's presentation identified the following as basic problems confronting the postal

The above list of alternatives, which in itself is quite all-encompassing, implicitly suggested several structural arrangements as the "universe of alternatives" facing the Commission. (30)

10 E2-2. Input From the Conception and Birth Phase. The preceding discussion may erroneously suggest that the Commission's "definition of the situation" was formed without influence from the earlier work of the Quadriad and the resultant reform proposals made by PMG O'Brien. Although the Case demonstrates overt efforts on the part of both O'Brien and the Commission to portray a formal "arm's length" relationship, it would be naive to assume that the O'Brien proposals did not affect the Commission's deliberations. It should be remembered that individuals from the POD, Budget Bureau, and White House who were staunch supporters of O'Brien's reform proposal were instrumental in drafting the mission statement for the Presidentail Commission. That statement, and even the title of the Commission itself, strongly suggest a concern with structural considerations. Thus, the Commission was not starting out in a "tabula rasa" state.

Not only did POD officials cooperate fully with the Commission, but in several important instances, individuals sympathetic to O'Brien's ideas provided important policy-shaping inputs to the Commission. (31) Furthermore, several pro-reform individuals occupied key roles insofar as being in a position to influence the boundary setting as well as other deliberations which took place. For example, the person serving as official POD liaison to the Commission was a former member of the Quadriad, (32) and other Quadriad

system: (27)

1. Funding Pressure-Problems relating to continual deficit.
2. Employee-Employer Relations-General lack of flexibility.
3. Legislation-Restrictions imposed by Congress.
4. Congressional Pressure-Relating to rates, personnel, etc.
5. Lack of Management Continuity-Political influences on key staffing decisions.

In addition, in a personal twelve-page memorandum for Mr. Kappel, PMG O'Brien outlined a wide-ranging array of specific issues which he indicated were for Kappel's information and the possible use of the Commission "in approaching the problem of how the management and organization of the Post Office might be made more effective than it is today." (28) Many of these issues were later considered by Arthur D. Little, Inc., the contractor hired to provide general management consultant services to the Commission. The first real focus to the extremely "open" system boundary delimitation of the Commission is suggested in the initial thinking of the contractor which envisioned the following seven organizational alternatives for the POD. (29)

1. A service department like the Pentagon.
2. A cabinet department as presently organized.
3. A public corporation.
4. A regulated utility.
5. A semi-private corporation like COMSAT.
6. A private corporation.
7. A regional licensed corporation.

members provided significant inputs to the Commission. The Assistant Executive Director of the Commission was formerly a highly-placed POD employee known to be sympathetic to the reform movement.⁽³³⁾ Another Commission staff member was the BOB analyst who had, a few months prior to joining the Commission, prepared an independent analysis of the POD which led him to conclusions paralleling those of the Quadriad.⁽³⁴⁾

None of these facts are pointed out to impugn the motives or integrity of any of these individuals. Rather, they are highlighted to demonstrate that subtle influences sympathetic to the O'Brien proposals were persistently present and could not be ignored by the Commission, despite its attempts to publicly emphasize its independence. It should be remembered that the output of the Conception and Birth Phase was not simply the identification of a problem, but more importantly, was the strong advocacy of a particular problem formulation and a particular policy alternative. Thus, the existence of the "policy package" formulated by O'Brien was an environmental fact the Commission could not ignore.

10 E2-3. The Extended Search for Focus. Nonetheless, operationally, the Commission did not really reduce its broad system and issue boundaries until about January 1968. At a mid-December 1967 Commission meeting the Commissioners directed that the staff prepare a series of briefing papers on a still broad range of topics, including organizational structure, labor-management relations, rates, finances, and a series of miscellaneous topics (including the issues of

monopoly, tax status, and the economic value of the POD to the economy as a whole). (35) The preparation and subsequent discussion of these "Issue Papers" ultimately led to a more focused "definition of the situation" during the early part of 1968.

10 E2-4. The Implicit Focus on Structure. However, there is evidence to suggest that by late 1967, an intuitive, implicit feeling was emerging among the Commission members that the fundamental problem plaguing the POD was the nature of its political relationships with the Congress and with the Administration. (36) This implicit concern with institutional relationships led the Commission to make structure* its main focus of inquiry, while at the same time examining many other closely related issues. (37) During ensuing deliberations, the early, intuitive concern with institutional relationships became focused and operationalized and eventually led to a conviction that the main problem "was the political nature of the Post Office." (38) However, it should be noted that this concern for system configura-

*The term "structure", as used by the Commission, refers to alternative organizational forms for managing the postal system, ranging from the existing Departmental status to private ownership and including many "in between" variants. The Commission's usage connotes a concern with systems design configuration, including patterns of decision-making, modes of operation relating to personnel, funding and rate-making policies, and the interfaces with other systems within the postal complex. The decision to focus on structural variables was not an explicit one which was reached as of a point in time. Instead, it emerged out of a series of Commission deliberations. Implicitly, structural change was viewed as a vehicle for accomplishing the reform goals.

tion and institutional relationships was largely confined to the existing system and its recognized institutional subsystems. There was not a serious attempt to extend the level of system under consideration so as to focus the main line of inquiry on macro level system redesign* aimed at bringing about basic change in the relationships among the POD, the relevant congressional committees, and the affected Executive Branch agencies (Budget Bureau, General Services Administration, Civil Service Commission, Treasury Department, etc.). Thus, the system and issue boundary delimitation resulted in a primary focus on the institutional relationship between the Congress and the POD, and some subsidiary attention to the creation of a new structure which would be as nearly wholly independent of other agencies as possible.

10 F. The Scope and Intensity of Change

One of the main characteristics of the Kappel Commission work was an explicit strategic decision regarding the scope and intensity of policy change. This decision was made after an extensive scanning process, but still in the relatively earlier stages of the Commission work. At this stage, a decision was made that piecemeal (or incremental) change would be insufficient for achieving an acceptable level of improvements and that fundamental change was needed. The exact nature of the fundamental change, and its structural configuration, had not

* There was an attempt to introduce a concern for what one staff member called "Macro-Thinking", defined as the widest ranging knowledge available concerning all respects of society and its future evolution. However, there is also evidence that some Commissioners had an only slightly veiled antipathy against "egghead" thinking going into the study. These notions are suggested in a Staff Memorandum of July 13, 1967, prepared by Professor Richard Willey, and were implicitly raised in our interview with Chairman Kappel.

been crystallized, but Kappel and other Commissioners became convinced that a break with the past was essential and that some variation of corporate style of organization would be an appropriate mechanism to do this. (39)

This strategic decision had an important impact on the overall mode of operation of the Commission in the sense of providing a framework and guidelines for discrete decisions regarding the organizational structure, rate-making policy, finance policy, labor-management relations policy, etc., which were made subsequently. The decision to employ a strategy of radical change also shaped the patterns and direction of analysis by specifying the degree of penetration, direction of search, and the nature of the alternatives contemplated.

A valid concern would be the degree to which the timing of this early strategic decision paralyzed the search for alternatives. The answer to this question is definitely negative. On the contrary, as is shown in the Case, relatively extensive search processes took place. Several alternatives (which are not reflected in the Commission Report for tactical reasons) were generated, analyzed, and discussed in Commission deliberations. (40) The absence of premature closure may be partly attributed to the broad, undefined, and relatively abstract nature of this strategic decision at this point of time. The decision was limited to a stipulation that fundamental reform was needed and that piecemeal change in policy was perceived as being insufficient. Thus, this early strategic decision was broad enough to provide a general guide for action, but was flexible enough so as to facilitate the search for a wide range of alternatives.

10 F1. Dissatisfaction With the Effects of Past Postal Policies. A dissatisfaction with the performance effect of past policies, and a perception of crisis are two of the main suggestive explanatory variables as to why a radical change strategy was adopted. The dissatisfaction with past policies and the resultant inadequate performance of the Postal System was clearly expressed in all our interviews with the Commissioners, the Staff, in Commission deliberations, and finally in the Report itself, (41) which states:

"The United States Post Office faces a crisis. Each year it slips further behind the rest of the economy in service, in efficiency and in meeting its responsibilities as an employer. Each year it operates at a huge financial loss. No one realizes the magnitude of this crisis more than postal managers and employees who daily bear the staggering burden of moving the nation's mail."

Even Commissioner Meany, who had reservations about taking the Post Office out of the Cabinet and the creation of a governmental corporation, acknowledged in his testimony:

"We agree with the Kappel Commission's documented description of low wages, poor working conditions, and inefficient operations in the Post Office. There is no disagreement on the need for substantial reform." (43)

The fact that most of the Commissioners came from major business organizations in the United States presumably stimulated the perception of a performance gap and contributed to the articulation of acute dissatisfaction with past policies.

10 F2. Perception of Crisis. Although the Commission did not fully confirm PMG O'Brien's "race with catastrophe" thesis, it did state that the Post Office "faces a crisis" and it clearly pointed out the seriousness of the situation in the following statement:

"The United States Postal System is in serious trouble today because of decades of low priorities assigned in modernization and management needs. Years of lagging productivity have created a gap between postal performance and that of other industries a gap which represents at the same time hazard and opportunity." (44)

10 F3. Analysis and Public Opinion. Additional factors contributing to the articulation of dissatisfaction with the effects of past policies include the impact of analytical inputs and of public opinion inputs. Analytical inputs included the earlier work of the Quadriad which had emphasized the existence of numerous system deficiencies. This was reinforced by numerous studies, analyses, and research efforts conducted by the Commission itself. There was no serious contention that "all was well" in the postal system.

Public opinion also played a key role in affecting the Commission's behavior. This was a major environmental factor influencing the Commission's decision processes. It was manifested mainly in opinions forcefully expressed in the Nation's press. A review of a compilation of newspaper editorials which appeared in 1967, has convinced me of strong negative sentiments on the part of influential editorial writers. While there is no reasonable way of statistically determining whether these editorials were reflecting or leading public opinion, their appearance in numerous newspapers representing all varieties of political and economic thought suggests that this was a fair representation of public opinion. In any event, it is clear that this was one more factor stimulating the Commission's perception of dissatisfaction and crisis. The dissatisfaction with the performance of the Postal System expressed by the Commission and Staff in our interviews is

also consistent with the information presented to President Johnson by Joseph Califano:

"The Commission is critical of postal service and postal efficiency and forecasts serious service and financial problems if things are left as they are. Productivity in the private sector went up 32% in the last ten years in the Post Office rose only 2%. If present trends continue, the POD will have a million employees in ten years (there are now 716,000). More mail service breakdowns, like Chicago 1966 are likely unless both management and plant are overhauled." (45)

10 F4. Perception of Non-equifinality of Alternative Strategies. An additional variable which may facilitate understanding of the Commission decision to recommend a radical vice incremental change in policy lies in the existence of a perception of non-equifinality about various strategies, on the part of the Commissioners and the Staff. A perception of non-equifinality means that different strategies (in this case, incremental vs. radical change in policy) were perceived as not being clearly equifinal; that is, that they would not lead to the same or equivalent results. This perception, which was clearly brought out in our interviews and in an extensive review of records of the Commission, is perhaps best summarized in the Commission Report itself:

"Piecemeal corrections such as changing the methods of selecting postmasters, granting authority to borrow funds for capital needs and other long overdue steps could be taken, but each alone, or all together, cannot produce the break with the past we have concluded is essential." (46)

This is a very important point because it raises for explicit examination the widely accepted notion that the main difference between the radical and incremental strategies is only the intensity of change; namely, the view that an accumulation of small incremental changes may have an impact similar to one comprehensive and rapid radical change

action. Radical change as perceived by the Commission was associated with a basic systems reorientation, or in the Commission's words, "basic change in direction".⁽⁴⁷⁾ The feeling was that such a basic change in direction was unattainable through utilization of an incremental strategy.

An additional factor which presumably contributed to the articulation of the perception of non-equifinality was an apparent fear that an incremental change strategy, if accepted, would jeopardize future changes necessary for achievement of the reform goals in the future. This was expressed by one staff member in the following manner:

"More important was Kappel's fear that once piecemeal change started, true reform would never come back. The passage of any quasi-reform bill, for example, will dissipate all the focus of energy for reform and would allow the opposition to claim that reform had taken place when only a few surface changes has been made. Further it will be impossible a year or two later to resurrect the issue and move to the next increment. Public and other interest would have waned--the dramatic elements would be lost and getting on with the next steps of reform at later date just would never happen."⁽⁴⁸⁾

Thus, the combined effect of strategic and tactical considerations provide a partial explanation for the existence of a perception of non-equifinality regarding strategy alternatives.

10 F5. Actors' Capacities and Political Leverage. Actors' capacities and political leverage are additional explanatory variables regarding the Kappel Commission decision to adopt the radical change strategy. The fact that the Kappel Commission's composition reflected leading personalities who came from top level organizational positions had a considerable impact how the problem was approached, how solutions were sought, and the overall modus operandi of the Commission. These

top management officials looked at the picture "as a whole" and from above, focusing on the basic features and not the details of sub-issues and processes. They consistently rejected all attempts to overwhelm them with secondary problems and with operational details.

The participation of these prominent citizens on the Commission entailed various personal costs, including political costs. These knowledgeable figures were sensitive to the protection of their reputations and were understandably reluctant to be associated (personally, or as a team) with anything perceived by them as being a secondary issue or a "half way" solution to postal problem. These tendencies were reinforced by a strong predisposition toward radical change on the part of the very influential Executive Director and the Staff. This over-all picture, which emerged from our extensive interviews with the policy actors involved, is consistent with argumentation presented in various position papers prepared by the Commission Staff. An illustrative example is given below:

". . . Even after piecemeal removal of specific constraints, the atmosphere in the Post Office would still be that of a conventional Government agency in which caution and accountability are more prized than innovation and risk taking. Most of the statutory changes noted above are likely to come about in present political framework, within the next five to ten years."

"We believe the energies of this Commission would be largely wasted, therefore, if its work results merely in advancing by a few years these piecemeal, although worthwhile improvements. It is rare that postal service or any government body, receives such a comprehensive examination as it is now getting. The Staff urges the Commission take the opportunity its report offers to recommend a major change in the direction for the postal service. A change which will reshape the attitude of workers, managers, and the public toward the business of operating of the U. S. mails." (49)

The fact that the major change in this instance was perceived as isomorphic with the corporate structure proposal and with the general business orientation of the Commissioners, and because it fit well into the normative/instrumental values and managerial orientation of most of the Commissioners (George Meany is a distinguished exception), also facilitated both a predisposition toward and the final decision to adopt a strategy of radical change.

10 F6. Policy Costs. In the earlier theoretical discussion of the incremental and radical change strategies (See Chapter Three) it was suggested that risk-taking propensity is one of the main variables affecting a policy actor's preference for one strategy or the other. The incremental change strategy is usually associated in the literature with low risk, while high risk is normally associated with a radical change strategy. In both instances, the risks involved may be viewed in terms of policy costs, including both direct and indirect costs. By direct costs is meant the resources needed for policy (or system) transformation from one state to another. These costs are usually more susceptible to quantitative estimation, and therefore, are dealt with more in concrete situations. Alternatively, as used here, indirect costs refers to the opportunity costs for using policy resources; coalition maintenance, support recruitment, and potential side effects from policy change. Experience and available research indicates that less attention is usually paid to these indirect costs, possibly because they are less susceptible to quantification, estimation, and control.

Examination of the proceedings and recommendations of the Kappel Commission indicates that the Commission paid unequal attention to these

cost categories. The Commission Report reflects the fact that some attention was paid to the direct cost category, including factors such as modernization, funding, pension liabilities, etc., but even here, the issue was treated in a fragmented way and consideration was limited to a single dimension of the policy under investigation.⁽⁵⁰⁾ No serious attempt is reflected in the various studies, in the minutes of Commission deliberations, or in the Report itself, to estimate (even in probabilistic terms) the total direct cost of the reform proposal.

In the absence of such cost estimations (even only direct costs) and given the extreme difficulty of calculating the long-run benefits, there was no serious basis for treatment of the various alternatives within a cost-benefit framework, although this is implied in the Report. Although the Commission states clearly that "the true long-range benefits" from postal reform "are incalculable", it estimates at least a 20% potential overall saving in yearly costs.⁽⁵¹⁾ There seems to be little doubt that this was done not as the result of any systematic analysis or deep conviction, but primarily for "selling" purposes, i.e., it was a strategy of maximizing the potential benefits of the preferred alternative.

Commissioner Miller's comments on this subject during the Report drafting process appear to reflect more accurately the realistic situation:

"Reference is made repeatedly to an annual saving of \$1 billion or more under reorganization. This figure is going to be a major selling point (particularly with the press), and some parts of the document are "hung" around it. I frankly distrust the figure and do not believe it will occur because "savings" are generally swallowed

up by normal business growth and inflation. Reorganization helps by equipping the post office to handle future demands, not in instituting great savings." (52)

Mr. Miller's observation perhaps did not go far enough. The alleged \$1 billion saving was a major selling point not only for the press, but for the President of the U. S. as well. Thus, it is clear that there are critical strategic and tactical considerations inherent in the treatment of the direct costs of any policy change proposed.

In terms of indirect costs, the Commission approached the issue within a "definition of the situation" that perceived the political costs of the incremental change strategy as being equal to or even more costly than those associated with a radical strategy. This definition of the situation was based more on experience and trained intuition than on systematic analysis. Similarly, there is no cost estimation based on an assumption that the system would continue to operate in the existing mode (i.e., a no-change alternative), although in the previously cited "definition of the mission of the contractors," this was one of the expected outputs. (53)

The relative lack of an in-depth treatment of the reform cost dimension, despite its critical importance, may be understood in terms of the following two main clusters of reasons. First, the existence of a perception that the risk of maintaining the present situation may, over the long-range, be equal to or even higher than the possible risks of radical reform. This perception was presumably shaped by dissatisfaction with the effects of past policies and by strong feelings as to the existence of a performance gap. Therefore, a clean and total break with the past, disregarding cost considerations, was perceived as being

preferable to perpetuation of the status quo. Secondly, the above perception was reinforced by a feeling that the political costs of the incremental change strategy would be equal to or even more costly than those associated with a radical change strategy. In the words of one policy actor:

"Kappel became convinced that the political and other costs of each segment of piecemeal strategy would be at least as high as the way of going all the way at once." (54)

Neither of these two clusters of reasons is, by itself, sufficient to explain the relative absence of systematic efforts to deal with cost factors. Taken together, however, these two major factors reinforce one another and constitute a plausible explanation of Commission behavior.

10 F7. Summary. Thus, we have seen that the Commissions strategic decisions regarding the scope and intensity of policy change was influenced by a number of related variables. These included 1) dissatisfaction with the effects of past policies; 2) a perception of at least potential crisis; 3) inputs from analysis and expressions of public opinion; 4) a perception of non-equifinality regarding the recognized and available alternatives; 5) the influence policy actors' capacities and political leverage; and 6) a relative lack of in-depth treatment of the policy cost dimension, occasioned by a desire to bring about a clean and total break with the past. Together, these variables interacted so as to mold the Commissions at first implicit, and eventually explicit, preferences for major (or radical) vice piecemeal (or incremental) change. This strategic decision had important ramifications in terms of the nature and direction of the on-going policy formation process.

10 G. Policy Feasibility

The conceptual framework suggests that policy feasibility may be an extremely important dimension of the policy formation process. This suggestion will be tested by examination of the degree of exploration of policy feasibility, and the nature of feasibility creation and molding actions which took place during the crystallization phase.

The Executive Order which created the Presidential Commission directed an assessment of the "feasibility and desirability" of various organizational alternatives.⁽⁵⁵⁾ The specific intent of this direction is not at all clear. However, a review of this document suggests that this language is better characterized as "standard appointing order nomenclature" rather than as representing any unusually keen White House concern with the policy feasibility dimension of the postal reform proposal.

Obviously, any Commission would be remiss if it failed to "check out" the feasibility dimension. However, just what this means in operational terms is not at all obvious--in fact, it is quite obscure and confusing. As noted in Dolenga's work on the Concept of Analysis⁽⁵⁶⁾ there is a great need for a reconceptualization of terms and concepts such as feasibility (especially, political feasibility) in a policy context. The following analysis of the Policy Feasibility dimension of the Crystallization Phase bears out this need.

One of the basic anomalies of the Crystallization Phase is the distinction between words and deeds relating to policy feasibility. During our interview with Chairman Kappel, he stated:

"My objective for the Commission was to determine what would bring about the most efficient/effective postal

service. My policy was to leave politics to the politicians." (57)

While I have absolutely no reason to doubt the sincerity and accuracy of this statement, Kappel's comments stand in contrast to the case data which portrays the extensive attention paid by the Commission to the policy feasibility dimension.

As suggested in the framework, it is useful to examine policy feasibility in terms of its three main dimensions: political feasibility; organizational feasibility; and economic feasibility. Analysis of the Case along these dimensions suggests that the Commission paid unequal attention to these three dimensions, for reasons that will become clearer as this analysis progresses.

10 G1. The Exploration of Policy Feasibility. From a policy formation perspective, two aspects of policy feasibility should be examined. These are, first, the exploration, and, secondly, the shaping of policy feasibility. The exploration aspect will be examined first.

10 G1-1. Exploration of Political Feasibility. The Commission devoted intensive attention to the exploration of the political feasibility of different alternatives and of critical decision issues (e.g., the right to strike, collective bargaining, rate-making, etc.). A number of different instruments were employed to do this, including press surveys; interviews with Congressmen, (58) union leaders, (59) and various interest groups; opinion polls; (60) and the canvassing of expert opinion. These, of course, were in addition to the individual judgmental assessments by the Commissioners and Staff members. More important than the instruments employed, however, is the fact that this analytically-oriented

Commission decided to devote resources to the systematic exploration of political feasibility. This runs counter to the wisdom literature suggestions that there is some basic antipathy between systematic analysis and "political" considerations.

10 G1-2. Exploration of Economic Feasibility. The economic feasibility of various alternatives was quite extensively explored, and the output of such exploration became input into critical Commission deliberations. For instance, one of the main reasons for the Commission's rejection of the "private enterprise" alternative was the conclusion that this alternative was economically infeasible. (61) Similarly, in the final Report, the (perceived) high economic feasibility of the corporate alternative was heavily stressed and was extensively used to justify the final recommendations. (62)

10 G1-3. Exploration of Organizational Feasibility. This complex dimension of policy feasibility must be examined along its main components; technological; behavioral; and structural elements. The Commission was not unaware of the technological component, and did examine it somewhat (primarily through a subcontractor study). However, because of a reduction in the Appropriation financing the Commission's work, this component did not receive comprehensive attention. The structural component received extensive examination and evaluation. This was a key factor in much of the Commission's deliberations. The high degree of attention paid to this component can be explained in terms of the emphasis on structure in the Commission's definition of the situation and formulation of the problem. As the final Report explained:

"Although the Commission studied five major areas of postal operations. . . it gave greatest attention to the general problem of organizing and managing the postal establishment." (63)

In contrast to the other two components of organizational feasibility, the behavioral component received very little attention.* In Chapter Five, behavioral feasibility was defined in terms of the likelihood that the focal organization would accept and implement a selected policy alternative in a manner consistent with the intentions of the policymaker. This implies an early concern with the main implementations aspects of any alternatives seriously considered. One reason for the minimal attention devoted to this component is the Commission's overall strategy of attempting to concentrate on the main strategic policy issues, leaving broad and flexible options to be exercised by the new management charged with the responsibility for implementing any policy changes resulting from the Commission's work.

Additionally, a second major focus of the Commission was on those activities perceived to be important factors in obtaining approval of any recommended policy change. Thus, there was a concern with implementation issues only to the extent that these issues appeared to be relevant to obtaining support and approval from the policy system. There was no explicit or extensive concern for implementation in terms of the capacity and willingness of a focal organization to implement change.

* It should be recognized here that the present emphasis on the organizational behavior aspects of the various policy alternatives (as this term has been defined in Chapter Five) is not intended to over-shadow the fact that the behavioral aspects of operating postal systems were extensively treated in various Commission studies and in the final Report.

The emphasis on approval of policy proposals helps to further explain the relatively greater attention paid to political feasibility. Even most organizational feasibility considerations were taken in the context of political (i.e., approval) variables.

10 G1-4. Summary of the Exploration of Policy Feasibility. This analysis has shown that the Kappel Commission was quite sensitive to the systematic exploration of policy feasibility, as indicated by the significant resources devoted to this dimension of policy formation. The Case has well demonstrated that the exploration of technological feasibility was minimal due to a shortage of resources. Furthermore, we noted that there was fairly extensive, systematic exploration of economic and political feasibility and that this directly affected the decisions regarding several alternatives. Finally, this analysis has shown that the Commission did very little in terms of exploration of the behavioral component of organizational feasibility. This analysis has suggested that this relative neglect of the behavioral component was at least partly due to particular strategic focus of the Commission which diverted attention from implementation issues.

10 G2. The Shaping of Political Feasibility. In the Postal Reform Case, and especially in this Phase, actions taken to shape policy feasibility were almost all directed at the political component. In fact, a somewhat unique characteristic of the Kappel Commission is its strong emphasis on and determined efforts at the shaping of political feasibility. This is doubly interesting in this situation; first, simply because it occurred, and secondly, because, in our interviews, key policy actors

were reluctant to admit that it had occurred.⁽⁶⁴⁾ These two dimensions of interest will be addressed separately. In the preceeding section it was concluded that the Commission quite systematically explored policy feasibility (with an emphasis on the political dimension). Now, we must examine the behavioral consequences of such exploration.

In his incisive discussion of policy-making, Vicker's has noted that:

"Sometimes decision-making proves to be no more than the painful process of discovering that there is only one thing to do or even nothing to be done. On the other hand, experience also recognizes situations in which the decision maker can in some degree impose a pattern on the future course of affairs. . ." (65)

As the Case demonstrates, it is clear that the Kappel Commission* perceived the postal reform situation to be the latter type of situation, because numerous and intensive efforts were aimed at an attempt to "impose a pattern on the future course of affairs".

It is interesting that the Commission's behavior over time reflects a repetition of another pattern evident in the behavior of the Quadriad.

*Although it is not my purpose to explore this distinction at length, and despite the lack of any hard substantiating evidence, it is my strong impression that Mr. Murray Comarrow, the Commission's Executive Director, was the prime mover in the "Commission's" attempts to mold political feasibility. This interpretation is consistent with the specifications for the position of Executive Director which were agreed upon at the first Commission meeting (4/28/67). This agreement called for "a senior person, preferably with knowledge of the government and the political forces therein." It is my assessment that Mr. Comarrow ideally filled that specification. Furthermore, I see Comarrow's role as complementing that of Chairman Kappel, whom I would characterize as apolitical, especially in terms of overt actions to mold political feasibility. Fredrick Kappel would probably personally prefer to let policy proposals succeed or fail "on their intrinsic merit." (See minutes of the April 28, 1967 meeting of the President's Commission with Post Office Personnel, and interviews with Messrs. Kappel and Comarrow.)

That is, over the relatively extended life of the Commission, there occurred a gradual shift from analysis to the advocacy of a specific policy alternative. As was the case with the Quadriad, this shift in orientation was very gradual and evolved out of a dynamic interplay between search processes, value systems, perceptions of role specifications, and other extra-rational processes. For whatever mix of reasons, the Commissioner's and Staff became personally committed to the corporate structure alternative.

This is by no means intended to imply that this was a strong *a priori* commitment. Rather, it was an emergent conviction which grew over time as intuition and judgment were played against analysis in a context characterized by a high degree of affective and cognitive interaction. In the initial stages, the work of the Commission can be fairly characterized as clinical, analytical and detached. In the latter stages the behavioral patterns become more personal and emotional. The committed analyst became a dedicated change agent. As change agents, the policy actors became interested in molding policy (especially political) feasibility.

10 G2-1. Specific Political Feasibility Shaping Actions. Efforts aimed at molding political feasibility emerged in these latter stages, but may be seen as an extension of the earlier activity aimed at exploring political feasibility. Specific feasibility molding behavior took many forms, including the following important examples:

- 1) Intense efforts were conducted by some Commissioners and by the Executive Director to "educate" the Congress, unions, and various interest groups. (66)

2) There was close involvement of several Commission members in the formation of a grass roots citizens' group (CIPSCO) an organization headed by Mr. Walter J. Humann, a former Commission staff member. Later, eight out of ten of the Commissioners joined the Citizens Committee for Postal Reform, the successor to CIPSCO. (67)

3) The Commission developed close connections with pro-reform groups within the Post Office Department, both during O'Brien's tenure as PMG, and perhaps more importantly during the term of O'Brien's successor, Marvin Watson, a strong anti-reform policy actor.

4) The Commission made systematic efforts to encourage favorable endorsement of its Report by the press, unions, various interest groups, influential personalities, and even some governmental agencies. These efforts went beyond formal, arm's-length relationships, and the need for more aggressive action was explicitly highlighted by the then former Executive Director in a letter to the then former Commission Chairman. Comarow said:

"A resolution favoring the Report is simply not enough, regardless of how skillfully it may be worded and how much publicity or coverage it may receive. What we need is a sustained, well organized, and well financed effort to bring to bear the weight of public opinion upon the Congress. Make no mistake about it the big postal unions . . . will resist this with all their considerable strength. The opposition is well sustained, well organized, and well financed. It cannot be effectively countered by a part-time Walter Humann working out of a post office box in Dallas or a part-time Murray Comarow working part time out of the Federal Power Commission in Washington." (68)

These aggressive efforts were operationalized in the form of personal appearances of Staff members (especially Mr. Comarow) and certain Commissioners at various meetings, speeches at Conventions, appearances in the mass media, and a strong editorial campaign at both the local and national levels. The personal reputation of the Commissioners, and their high institutional and political leverage, of course, facilitated these efforts.

5) Efforts were made to "plank" the postal reform issue into the 1968 election platforms of both political parties. (69)

6) Efforts were made to influence the incoming Republican Administration after the 1968 elections. *

* This point is explored in more detail in Chapter Eleven.

In addition to the foregoing "extra-curricular" activities of both Commission and Staff members* other rather strong efforts at shaping political feasibility can be discerned in various internal Commission position papers, deliberations, and during the report-drafting process. For example, early drafts of the Report were sent for review to Califano at the White House⁽⁷⁰⁾ and to other prominent, high-leverage individuals such as the Director of the General Accounting Office and the current and former Budget Bureau Directors.⁽⁷¹⁾

10 G2-2. Preparation of the Commission Report. The sensitivity to the political feasibility dimension, and a perception that that feasibility could be molded, is most evident in the Commission's report-preparation process. By that stage, the Commission was acting as an institutional advocate of the corporate-structure policy alternative. The main strategy in the presentation of the Commission findings was an intentional over-dramatization of the issue as a means of drawing public and Congressional attention to postal problems and the need for a radical solution.

The degree of over-dramatization is well reflected in the discrepancy between the thinking of the Commission as contained in informal status reports to the White House and the "spirit" and implications of some parts of the formal Report. For example, in a letter to Mr. Califano, Camarow stated:

"The Commission and the Staff seem to have come around to Larry O'Brien's viewpoint that major

* It should be noted that many of these activities were carried on after the Commission's formal life had terminated. They were frequently initiated and were usually coordinated by Mr. Comarow.

change in the direction is needed but there are two significant differences between where he left and in where we find ourselves. The "race with catastrophe" seems to be a false alarm, however useful it may have been for drawing attention to the need for change. . ." (72)

It is my considered judgment that the above description fairly reflects the thinking of the Commission, and is consistent with the findings of the contractors hired as consultants. (73) However, this tone is highly exaggerated (over-dramatized) in the final Report.

This careful attention to the enhancement of political feasibility is also evident in the format of the Report (discussed separately) and in the decisions regarding the timing of its release, the special arrangements for press coverage, etc. It is obvious, of course, that no one can "prove" the existence of any causal relationship between the Commission's efforts aimed at molding political feasibility and the resultant extremely favorable public and press reaction to the Report. Nonetheless, based on my detailed familiarity with the entire process, I feel quite confident in concluding that these efforts were, in fact, very instrumental in generating the overwhelmingly favorable response.

10 G3. Commitment: a Two-Edged Sword. In both a theoretical and pragmatic context, the behavior of the Kappel Commission members (individually and collectively) highlights the existence of a most serious dilemma. As Dolenga's paper on the Concept of Analysis illustrates, the issue of the intensity of the commitment of analysts and advisors to a particular policy alternative creates complex trade-offs between a desire (approaching an evangelical commitment) to achieve concrete policy action (get the legislation passed!), and possible distortions in objectivity. (74) The sense of missionary commitment on the part of the

Commission was, no doubt, instrumental in enhancing the quality of the analysis and in the sensitizing of the frame-of-appreciation of key policymakers and the education of the public as a whole.

On the other hand, such a strong sense of personal involvement and commitment can produce unintentional and dysfunctional consequences in terms of impaired judgment, distorted objectivity, and a decreased acceptability of the policy recommendations on the part of some policymakers who are aware of these potential pathologies in the process and its outcome. Furthermore, serious questions may be raised regarding the complex role relationships existing between the analyst, advisor, and policymaker. These kinds of ramifications are examined in Dolenga's previously cited work, both in his theoretical papers and more directly in his treatment of the analysis of the Postal Reform Case.

10 G 4. Summary. This portion of the analysis has shown that the Kappel Commission recognized the importance of and, therefore, invested rather heavily in both the exploration and shaping of policy feasibility. Of the three main components of policy feasibility (political, economic, and organizational), the Commission devoted primary attention to the dimension of political feasibility. This action is perhaps best understood in terms of the Commission's emphasis on policy approval, i.e., obtaining what was perceived to be primarily political approval by the policy system of the postal reform proposals. We saw that the Commission members took specific (largely voluntary, extra-curricular) actions aimed at enhancing (shaping) the political feasibility of the preferred policy alternative (i.e., the corporate restructuring alternative). Curiously though, despite considerable, sophisticated efforts in this regard,

there was a definite reluctance on the part of the key policy actors
to admit or even to discuss their involvement in such matters.

Notes for Chapter Ten

- 1) "Mission of the General Contractor", an undated Commission Working paper in the retained files of the President's Commission on Postal Organization, p. 10.
- 2) Ibid., p. 11.
- 3) Kappel Commission Staff, "Issue Paper IB", January 16, 1968, p. 3.
- 4) Ibid., p. 3.
- 5) From interview with former PMG O'Brien, p. 4.
- 6) Harold Seidman, Politics, Position, and Power; New York, Oxford University Press, 1970, p. 66.
- 7) Ibid., p. 66.
- 8) Statement issued by the White House, July 11, 1968.
- 9) Quoted in Congressional Quarterly, Fall 1969, pp. 4 - 20.
- 10) From interview with former PMG Marvin Watson and his assistant, Dr. Lloyd Taylor.
- 11) See Stanley Cohen, "This Week in Washington"; Advertising Age, November 14, 1968.
- 12) See Remarks of PMG Marvin Watson before the Board of Directors, Magazine Publishers Association, Inc., November 19, 1968.
- 13) See internal POD memoranda from Director, Office of Planning and

Systems Analysis to the Executive Assistant to the PMG, dated August 9 and September 11 and 23, 1968.

- 14) Rowland Evans and Robert Novak, "Kappel Postal Corporation Plan Puts Strain on Watson Standards"; The Washington Post, December 20, 1968.
- 15) "Towards Postal Excellence": The Report of the President's Commission on Postal Organization, June, 1968, p. 6.
- 16) Memorandum for the President from Fredrick R. Kappel, Chairman, The President's Commission on Postal Organization, June, 1968.
- 17) "Towards Postal Excellence", op. cit., p. 6.
- 18) Kappel Commission Staff, "Issue Paper IA", January 9, 1968.
- 19) Chairman Kappel's comments on April 3, 1968, Draft Memorandum from Mr. Comarow, April 11, 1968.
- 20) Kappel Commission Staff, "Issue Paper IB", op. cit., January 16, 1968, p. 1.
- 21) From interview with Kappel Commission former Staff member, Mr. Benson Simon.
- 22) PMG O'Brien's preference is quite clearly stated in his May 3, 1967 "Monthly Report to the Cabinet" in which he states: "I also urged the Commission to make every effort to develop at least tentative conclusions before the end of the year, particularly if its recommendations were likely to include a proposal for legislative action", p. 1.

- 23) This broad range of topics is evident by reviewing the index of Commission Staff's "Issue Papers" dated January 17, 1968. This is also well established in a memorandum for the Commissioners, from the Executive Director, dated December 19, 1967; Subject: "Staff Studies".
- 24) From remarks by Fredrick R. Kappel, Chairman, President's Commission on Postal Organization at the National Postal Forum, Washington, D. C., September 14, 1967. (Postal Forum Release No. 9).
- 25) From interview with former Presidential Commission Chairman, Fredrick R. Kappel.
- 26) "Monthly Report to the Cabinet", a Memorandum from PMG O'Brien to the President and the Cabinet, May 3, 1967, p. 1.
- 27) "Meeting of the President's Commission With Post Office Personnel", Memorandum dated April 28, 1967.
- 28) From an undated document entitled, "Memorandum for Fredrick A. Kappel, From Lawrence F. O'Brien".
- 29) See internal POD memorandum dated August 28, 1967, entitled, "Briefing Session on the Arthur D. Little Contract".
- 30) Ibid., p. 2.
- 31) See, for example the Memorandum dated June 30, 1967, From Ronald B. Lee, Director, Office of Planning and Systems Analysis (POD); To Murray Comarow, Executive Director, President's Commission on Postal Organization; Subject: "Care and Feeding of Presidential Commissions".

- 32) PMG O'Brien appointed his Special Assistant, Mr. Lawrence Lewin (a former Quadriad member) to serve as official POD liaison to the Kappel Commission.
- 33) Mr. William J. Sullivan resigned from the POD to assume the position of Assistant Executive Director of the Kappel Commission.
- 34) Mr. Benson Simon served as a Professional Staff Member on the Kappel Commission while on leave of absence from the Bureau of the Budget.
- 35) See, Memorandum for the Commissions from the Executive Director, dated December 19, 1967.
- 36) From interview with Mr. Benson Simon, Commission Staff Member, and others.
- 37) This is well reflected in Mr. Comarow's Status Report to the White House contained in his December 5, 1967 letter to Mr. Joseph A. Califano, Special Assistant to the President.
- 38) See letter from Murray Comarow to Mr. Robert B. Pitkin, Editor, The American Legion Magazine, March 4, 1969, p. 3.
- 39) From interview with Mr. Benson Simon, Commission Staff Member.
- 40) See Commission Staff Issue Papers IA, B, and C. Also see Commission Memorandum by Richard Willey, "Study Concerning Broad Aspects of Public Policy", July 13, 1967.
- 41) "Towards Postal Excellence", op. cit., p. 1.

- 42) Not used.
- 43) Testimony of Mr. George Meany, President, AFL/CIO, before the Committee on Post Office and Civil Service, House of Representatives, 91st Congress, 1st Session, July 30, 1969.
- 44) "Towards Postal Excellence", op. cit., p. 5.
- 45) Memorandum for the President from Joseph Califano, May 18, 1968.
- 46) "Towards Postal Excellence", op. cit., p. 53.
- 47) See letter to the President from Fredrick R. Kappel, Chairman, President's Commission on Postal Organization, June 1968.
- 48) From interview with Mr. Benson Simon, op. cit., p. 10.
- 49) See Commission Staff Issue Paper IC, "The Existing Organization", January 16, 1968.
- 50) "Towards Postal Excellence", op. cit., pp. 54, 81.
- 51) Ibid., p. 155.
- 52) Memorandum of Commissioner J. I. Miller with comments on First Draft of Commission Report, March 13, 1968, p. 2.
- 53) "Mission of the General Contractor", op. cit., p. 10.
- 54) Interview with Mr. Benson Simon, op. cit.
- 55) Executive Order 11341, April 8, 1967.

- 56) Harold E. Dolenga, "An Analytical Case Study of the Policy Formation Process: Postal Reform and Reorganization", Chapter 4.
- 57) From interview with Mr. Fredrick Kappel, op. cit.
- 58) See Minutes from Commission Meeting, February 20, 1968.
- 59) See Commission Research Paper, "Synthesis of Views of Postal Union Leaders", December 21, 1967.
- 60) Refer to the public opinion poll conducted by the Roper organization and the U. S. Chamber of Commerce.
- 61) Commission Staff Issue Paper IB, January 16, 1968.
- 62) "Towards Postal Excellence", op. cit., pp. 5-6.
- 63) Ibid., p. 192.
- 64) This reluctance was evident in a number of our interviews, but was most pronounced in the Kappel and Comarow interviews.
- 65) Sir Geoffrey Vickers, The Art of Judgment, p. 14.
- 66) From interview with Commissioner Ginsburg.
- 67) See "Memorandum for Commissioners and Assistants, from Mr. Comarow, September 6, 1967.
- 68) See letter to Mr. Kappel from Mr. Comarow, October 24, 1968.
- 69) Not used.

- 70) See various Status Report Letters to Mr. Califano from Mr. Comarow, op. cit.
- 71) This correspondence was all sighted in the Commissions files.
- 72) See letter to Mr. Califano from Mr. Comarow, December 5, 1967, p. 4.
- 73) This judgment was reached after a thorough review of the Appendices to the Commission Report, and of the reports submitted by the consultants to the Commission.
- 74) Harold E. Dolenga, op. cit., Chapter Four.

Chapter Eleven

Selective Analysis of the Transition Phase

11A. Introduction and Overview

The Postal Reform Case has described how the basic reform proposals just narrowly avoided an infant death at the end of the Johnson Administration. Given this status in the life cycle of postal reform, we might expect that a change in political administrations would have a fatal effect on the entire idea. The main purpose of the selective analysis of the Transition Phase contained in this chapter is to examine the policy-relevant strategic implications of this major environmental change.

11B. The Transition Background

In discussing efforts of federal bureaucrats to advance their favorite proposals, Dr. James Schlesinger has noted that:

"Periods of transition are uniquely suited to the trotting out of old proposals, most of them previously rejected for good reason, on the expectation that they may catch somebody's fancy."(1)

From another perspective, Frank Popper, in his study of Presidential Commissions, has observed that although there is a tradition of one Administration not acting on Commission reports which get issued during the ambiguous transition period between Administration, President Nixon, in proposing postal, draft, and welfare legislation to a Democratic Congress drew on the work of Presidential Commissions which spanned Presidencies. (2)

Here, we are particularly interested in the impact of the transition between the Democratic (Johnson) and Republican (Nixon) Administrations on the postal reform policy formation process. As the Case shows, the transition situation described by Schlesinger does not fit the postal experience. In this instance, although President-elect Nixon received recommendations regarding postal reform from a number of sources,* it is clear that he personally initiated the action which resulted in an early decision to adopt postal reform as a major goal of the new Republican Administration. (3)

Popper's recognition that President Nixon proposed several major pieces of legislation to the Democratic Congress which were based on programs initiated under the Johnson Administration confirms the assessment of Robert Mayo (Nixon's first Budget Bureau Director) that Nixon was less inhibited than some of his predecessors about taking action on policies initiated under the prior Administration. (4) With further relevance here, Mayo also observed that President Nixon felt that he had a greater flexibility for taking bolder (or at least more controversial) policy initiatives during the first year of his term in office than he would have in subsequent years.

To review, very briefly, the case data regarding the status of the postal reform issue at the end of the Johnson Administration, the following points stand out:

-After a cool reaction to the Kappel Commission Report and after a strong negative reaction on the part of his new PMG (Marvin Watson), President Johnson finally convinced by Califano, Budget Director Zwick, and Chairman

*For example, the Burns Presidential Transition Task-Force, the Budget Bureau, the Citizens Committee, and others.

Kappel) included a brief endorsement of postal reform in his January, 1969, State-of-the-Union Message.

-The key reform proponents had left office (e.g.; O'Brien, Califano, Schultze).

-Although the Kappel Commission had been officially terminated, a number of former Commissioners and staff members took independent actions to draw attention to the recommendations of the Kappel Commission and to recruit grass-roots support for the reform idea.

-Some minor efforts at keeping postal reform alive were being exerted by the Citizens Committee for Postal Reform, and by a small pro-reform group within the POD.

Given the existence of this near hiatus in support for the postal reform idea; it is somewhat surprising that one of President Nixon's first policy initiatives upon assuming office was a strong, public commitment to work for postal reform. In this section we will be analyzing the major forces behind the Nixon strategic decision to adopt postal reform as a major goal of his new Administration. This strategic decision is worthy of close examination because it guided and directed numerous subsidiary decisions made during the next two years, regarding postal reform.

III C. The Nixon Decision to Adopt Postal Reform as a Major Goal

The main focus of inquiry here is on the reasons why a reform idea originated under the Democratic (Johnson) Administration was so quickly adopted (at least in principle) by the incoming Republican Administration (under President Nixon). After all, there were many other domestic issues competing for Presidential attention, and there is common agreement among all the policy actors interviewed that postal reform at that time was not a top priority national issue

which required intense Presidential attention immediately after the Inauguration. Furthermore, it is not an unusual phenomenon in American politics for an incoming Administration to react coolly to domestic programs created by their predecessors.

It is never easy to clearly identify policy actors' motivations, and the task becomes considerably more complicated when one of the subjects of the inquiry is the President of the United States. A further complication here is the fact that the policy formation process of interest encompassed a complex issue which was dealt with in a multi-goal, multi-actor context, in which different actors approached the decisional issues with different sets of goals, values, assumptions, etc. Therefore, the analysis which follows is necessarily based on second order, but nonetheless valuable, sources of information.* I have abstracted from this rich data the following highly plausible explanations, each of which will be discussed separately below:

- Nixon's prior commitment to the reform idea during the 1968 campaign.
- The existence of a perception of a "can't lose" political strategy.
- The desire of the new Administration to quickly identify relatively worked-out programs having a high degree of achievement potential.
- Nixon's organization and management orientation.

*The reconstruction of the strategic and tactical decisions made by the Nixon Administration regarding postal reform is based primarily on our interviews with knowledgeable participants such as: Dr. Arthur Burns; Mr. John Ehrlichman; Mr. George Shultz; Dr. Martin Anderson; Mr. Richard Burris; Mr. Frederick Kappel; Mr. Robert Mayo; Mr. Wm. Usery, et al.; Mr. Bryce Harlow; and on limited documentation as demonstrated in the Case.

-The ideological and instrumental beliefs of the President and his close advisors.

11C1. Nixon's Prior Commitment to the Reform Idea During the 1968 Presidential Campaign. During the 1968 election campaign, President Nixon made several relatively strong public statements regarding postal reform. The following remarks are typical:

"The postal service has deteriorated terribly. Part of the problem is the great increase in traffic, but part of it is pure politics. . . . In instance after instance the efficiency of the Post Office Department is down. The Post Office needs to be run like a first-class business. I can assure you that one of the top priorities I have on my agenda is to get a Postmaster General who will not be just a political man, but who will be able to institute the reforms. . . . I think we need a new system in order to do it, and if we have to move toward more business practices, get private enterprise into it on a proper basis, that is what we will do. . . . We must give full consideration to the President's Commission on Postal Orgnaization's recommendations for improvements in the nation's postal service and the extension of the merit principle of postmasters and rural carriers"(5)

The existence of this prior commitment, although important, is not alone sufficient to explain the Nixon Administrations' early decision to endorse postal reform and to adopt the Kappel Report's recommendations as the basis for its program. After all, in January 1968, postal reform was only one of a relatively large number of issues competing for immediate Presidential attention, and it was a relatively low priority issue, as compared to the war in Vietnam, unemployment, and the many other issues on which candidate Nixon had made campaign "commitments". Therefore, additional variables are needed to provide a more complete explanation. For example, the furation and intensity of Nixon's pre-election commitment are relevant here and will be

examined in connection with the ideological and instrumental beliefs of the new President.

11C2. The Perception of a "Sure-Win" Political Strategy. Some policy actors advanced the proposition that Nixon's decision to endorse postal reform was a "sure-win" strategy with great political advantages for the Republican Administration, in the sense that politically the Nixon Administration couldn't lose, no matter what action Congress might take in response to the President's reform proposals. According to this view, if the postal reform proposal was defeated in Congress, the Republican Administration could blame the Democratic-controlled Congress. Alternatively, if the program passed in Congress, there would be positive advantages for the Nixon Administration. Surprisingly, although this proposition was advanced by an influential Republican in Congress who was deeply involved in the postal reform issue in the Congressional arena,⁽⁶⁾ it was flatly rejected by the Chairman of the Democratic Party,* who concluded after a personal meeting with Nixon:

"...that the President was solidly committed to the idea politically."⁽⁷⁾

Similarly Arthur Burns (in our interview with him) strongly rejected the notion that such a purely political strategy had ever been considered (explicitly or implicitly) regarding postal reform:⁽⁸⁾

"No, I can say that I never heard such purely political thinking expressed on this issue. I feel quite sure that

*Former Postmaster General Lawrence O'Brien.

I would have been aware of it were it being seriously considered. . . . Of course, I was well aware of this kind of politically motivated strategy-making on other issues, but I don't think it seriously took place regarding the postal question. . . . Of course we wanted to gain credit with the public for this new Administration and our thinking was that the patronage issue would have wide-spread appeal in this direction." (p. 2)

Of course, the opinions of Burns and other Nixon advisors on that issue do not by themselves provide a basis for rejection of this thesis. However, there are additional reasons which seriously impair the validity of this attractive, but simplistic and problematic thesis.

The main weakness of this thesis lies in the fact that the resistance in Congress to the postal reform proposal had little to do with party affiliation.⁽⁹⁾ Moreover, there is strong evidence that it was Nixon's personal initiative to move on a program of bi-partisan support.⁽¹⁰⁾ This was well reflected in the Bryce Harlow proposal to establish a bi-partisan Citizens Committee for Postal Reform,⁽¹¹⁾ co-chaired by O'Brien and by Senator Thurston Morton.

Examination of Administration behavior clearly indicates that Nixon, Blount, and others consistently and unhesitantly stuck with the postal reform idea even at times when its political feasibility and potential pay-off were low and the costs became very high. This strategic decision entailed considerable political costs in terms of consensus maintenance among the Republican members of Congress, especially regarding the timing of the abolition of postal patronage.⁽¹²⁾ And finally, during this time, there were many good reasons for the Republican Administration to give up the reform idea, a move which would have significant embarrassment to the Democratic Congress. Represen-

tative of these reasons are the already noted unexpectedly high costs of the reform program, the inevitable necessity to again raise postal rates and postal pay, severe inflation-induced economic problems, and pressing problems in the international relations sphere.

The above analysis leads me to the conclusion that although some political considerations undoubtedly were present in the President's strategic decision, there is little evidence that this was a dominant or even significant motivating factor. A clearer understanding of Nixon's strategic decision to strongly endorse postal reform requires that we search further and in other directions.

11C3. The New Administration's Search for At Least Partially Developed Programs With "Achievable" Goals. Another explanation advanced by Presidential Councilor Bryce Harlow, (13) and supported by Mayo, Ehrlichman, and others, is that any newly elected President "must accomplish something" during the first few months in office. This is a variant of the "First One Hundred Days" syndrome in American politics. Dr. Arthur Burns who directed the Task-Force efforts during the transition between administrations recalled: (14)

"He (Nixon) knew, and we knew, that there was a necessity to put together an action program to start with. The immediate task was to rather quickly throw together a basis for a new program on which he (Nixon) could survive during the first weeks of his administration." (p. 4)

The postal reform proposal, according to this view, was a relatively "well-worked-out" issue with a high possibility of near-term "achievement". As such, it partially filled the Administration's need for a major new program offering at least potentially achievable goals.

Postal reform was also a natural issue that could encourage bi-partisan support. This was quite important, given the fact that Nixon was the first President since Zachary Taylor to commence his term with both Houses of Congress in control of the opposition party.

These pragmatic considerations, which were suggested in several interviews, suggest one plausible, but partial, explanation of the Nixon Administration's early strategic decision to endorse postal reform.

11C4. President Nixon's Organization and Management Orientation.

Another variable, frequently mentioned by various policy actors in the course of this study, is the general tendency of the Nixon Administration to focus more on organization and management reform, as contrasted to the "program orientation" of the previous Administration.

As one White House adviser noted:

The present (Nixon) Administration is very much organization and management reform oriented. President Johnson's Administration, by contrast, pursued the opposite fallacy, believing all that was needed was to construct a good program and let organization matters take care of themselves.(15)

The above observation is especially important, given the absence of any systematic study of this issue, and in view of the fact that it was made by Charles Schultze, former Budget Bureau Director in the Johnson Administration. This assessment is consistent with the views expressed by other policy actors, including, Arthur Burns, Robert Mayo, John Ehrlichman, and Robert Mayo.

President Nixon has evidenced a long-standing interest in efforts

to reform and organize the federal government. While serving as Vice-President under President Eisenhower, Nixon devoted much effort to devising a list of activities which, in one way or another could be removed from direct federal control and turned over to private industry or converted to publicly owned utilities.⁽¹⁶⁾ There is ample evidence in both the prior and subsequent behavior of Richard Nixon to support the proposition regarding a general tendency of his Administration to focus attention and resources on organization and management issues. This is manifested in several current policy proposals such as Nixon's federal government reorganization plan. Thus, Nixon's personal organization and management orientation appears to be another plausible, partial explanatory variable.

11C5. Ideological and Instrumental Beliefs of the President. Perhaps one of the most important explanatory variables regarding the strategic decision to endorse postal reform lies in the ideological and instrumental beliefs held by President Nixon and by his key advisors, regarding the role of government in society. The whole corporate reform idea, as proposed in the Kappel Report, fits well with Nixon's publicly recognized philosophy of government and is compatible with the conservative Republican value system usually ascribed to him and to his Administration. President Nixon's main motivation may have been no more than recognition of this factor.

These conclusions emerged from extensive interviews with key policy actors (Harlow, Burns, Ehrlichman, Blount, and Mayo) who served in sensitive advisory roles to the President and who were personally

instrumental in influencing Nixon's decisions. All of them independently suggested this factor as crucial for understanding the essence of Nixon's strategic decision. In Burns' words:

"Basically, it (Postal Reform) was one President's concept of good government President Nixon has long had an orientation in that direction and the Kappel Report presented him with an opportunity which just naturally fit with his personal outlook on government the Kappel Report had a lot of appeal to the President and to a number of us in advisory roles"(17)

In conclusion, any attempt to explain the factors motivating the Nixon Administration's strategic decision-making on a uni-dimensional scale will be highly unrealistic. As pointed out by Ehrlichman, many different considerations entered into the basic, early decision to adopt postal reform as a major goal. My analysis suggests that the strategic decision-making behavior of the Nixon Administration in regards to postal reform can best be understood in terms of a mix of two main factors. First, ideological and instrumental beliefs regarding governmental operation; and, secondly, the existence of postal reform as a relatively well-developed program consistent with those beliefs and potentially amenable to rapid transformation into a legislative program deserving of bi-partisan support. It is my belief that the role of ideological and instrumental beliefs regarding the "proper" role of government and the "proper" activities in which the federal government should be involved, was a dominant variable in this mix.

11D. The Nixon Administration's Postal Reform Strategy

In contrast with the previous Administration, the Nixon team very quickly developed an overall strategy for achieving postal reform.

Reconstruction of the emergence of this strategy, based on interviews with key Presidential advisors involved in the process, indicates that this was an iterative, loosely structured, open ended, and non-sequential process that was never formalized in any comprehensive, written plan. One of the President's close advisors who was deeply involved in the process told us that: (18)

" . . . the strategy must be interpreted in a loose open way, keeping in mind that government is not an orderly process. It is erroneous to impose upon it any formal sequential, rigid set of steps. It does not work that way . . . The strategy was a loose, flexible thing, reflected mostly in the heads of a few key people." (p. 3)

The above comment, made by Dr. Arthur Burns, is consistent with assessments made by other key policy actors. It is extremely important because of the wide-spread tendency in research, analysis, and model building to impose a more ordered impression about such processes, including an attempt to associate particular strategies with a "master plan", including all, or at least many, possible contingencies etc. The postal policy formation experience suggests that such a simplistic notion reflects a very low degree of descriptive reality.

Conceptually, the Nixon Administration adopted the Kappel Commission's recommendations, suggesting a fundamental change in direction, as a framework and a set of guidelines for achieving postal reform. Our interview data suggests that this strategic decision was reached after a relatively quick consensus emerged within a small policy formation group. This basic decision was never seriously challenged by advocates of different alternatives.*

*This indicates an absence of the "multiple advocacy" mode of decision-making advocated by George. See Dolenga (1972), Chapter Four.

All of the key policy actors interviewed by us attributed this readily achieved consensus to shared ideological and instrumental beliefs, and to the appealing nature of the proposed policy measures, given those beliefs. These shared instrumental and ideological beliefs may also explain other factors such as the lack of any independent analysis, an insensitivity to the cost dimension, and to some extent, an underestimation of the policy resources required to obtain Congressional approval of postal reform.

11D1. Lack of Independent Analysis. The decision to adopt postal reform as a major goal was made despite the fact that the Kappel Report was never subjected to the systematic scrutiny of independent analysis by the Nixon Administration, neither at the White House level nor by the Post Office Department. Arthur Burns gave a succinct, authoritative description about the prevailing atmosphere at the White House:

"We were convinced that it (postal reform) was the right thing to do. Our concern then was with strategy for the best way of doing it".(19)

This description is supported by data obtained in our interviews with Kappel, Ehrlichman, Mayo, Blount, and others. Mr. Kappel, for example, told us that in a meeting with the then President-Elect, Nixon told him that although he had not had a chance to thoroughly study the Kappel Report during the busy campaign, he had browsed through it and "had a feeling it was worth doing". (20) Thus, it appears that a strong sense of a priori commitment to the postal reform proposal served to pre-empt any serious challenge to the pre-

vailing view, through independent analysis.

The POD itself was not the source of any such challenge through analysis, because Nixon had not yet decided who his PMG would be. Later in the process, Nixon did direct Winton Blount, his new PMG, to conduct a review of the Kappel Report, and such a review was indeed made within the POD. Our interviews with top postal management and our examination of voluminous internal POD files convinced me that the POD study did in fact, devote considerable attention to the manifold issues raised in the Kappel Report. However, the basic orientation of the POD study was one of concern with tactical and operational decisions aimed at obtaining Congressional approval of the Commission's basic recommendation, (i.e., implementation of strategic decisions previously reached at the White House level). This "implementation orientation" is obvious in the following remarks of PMG Blount:*

The concept of converting the Post Office Department into a government-owned corporation originated, as you know, with former Postmaster General Larry O'Brien. After intensive study of this problem he made this recommendation two or three years ago. Following that recommendation President Johnson appointed a Presidential Commission composed of outstanding Americans with a very fine staff that validated this concept after studying the problems of this department for a year and spending over a million dollars to do it. And now we are asking for the opportunity to implement this concept.(21)

The basic concern of the POD was with translating the recommendations of the Kappel Commission into legislative proposals, and with support

*This analysis should not be mis-interpreted to mean that such a concern with implementation factors was in any sense "wrong" or unimportant. The point here is that such an implementation focus served to block any re-examination of the basic commitment to postal reform.

recruitment and other legislative tactics. As a result, the basic strategic patterns originally suggested by the Presidential Commission, and later adopted by the Nixon Administration early in its tenure, were never seriously challenged by the analysis done in the POD.

11D2. Insensitivity to Reform Costs. A second finding which emerges from analysis of the Nixon Administration's strategic decisions regarding postal reform, is an insensitivity to the reform costs, both direct and indirect. This finding holds for the initial decision to reform the Post Office along the lines suggested in the Kappel Report, as well as for the subsequent patterns of behavior prevalent until the strike phase. During the strike phase (which occurred very late in the policy formation process) the Nixon Administration became intensely aware of cost ramifications, at least insofar as the actual dollar costs involved in pending pay raise legislation and to a lesser degree to the political costs of coalition and consensus building. The financial concern was largely due to an overall anti-inflation strategy to which the Administration had become committed. Thus, even this later interest in the cost dimension cannot really be characterized as a concern with the reform costs, *per se*. Rather, this concern was generated by an unexpected conflict with another strategy; i.e., the anti-inflation drive.

Examination of several Budget Bureau documents regarding postal reform, sent to the White House during various stages of the policy formation process, brought out clearly that while the Bureau had

reservations about various issues (e.g., Presidential prerogatives, budgetary control, capital funding, etc.) the issue of reform costs apparently was never considered to be of major concern.⁽²²⁾ Mr. Robert Mayo, Director of the Budget Bureau during the period under investigation, independently confirmed that he was never asked and was not aware of any other attempts to assess the potential reform costs.⁽²³⁾ In our interview with him, he stated:

"No, I can't say that anyone ever asked me for such an assessment, and if they had, I am not quite sure how or if it could be done. There was this commitment, I think, to do generally what was necessary. Of course, some of the later things were unforeseen, in terms of the strike, etc., but there was certainly not to my knowledge any formal or even semi-formal attempt to deal explicitly with some ceiling costs--most likely costs, or anything of that nature". (p. 18)

The lack of any systematic assessment of reform costs was also confirmed by Arthur Burns⁽²⁴⁾ who gave this explanation for the state of affairs described above:

"There was no systematic assessment of costs, per se. We were convinced it (reform) was the right thing to do. Our concern then was with a strategy for the best way of doing it." (p. 3)

Similarly the issue of the reform costs (direct and indirect) received very little attention within the Post Office Department, except to the extent that there was continuing concern over the huge deficit under the existing system, and immediate concern over the issue of costs as it related to POD efforts to simultaneously control somewhat conflicting pending legislation regarding postal reform, postal pay, and postal rates.⁽²⁵⁾

11D3. Under-estimation of Policy Resources Required to Obtain Congressional Approval of Postal Reform. A third basic issue which arises from an examination of the various strategic decision made in the early stages of the Nixon Adminstration is an under-estimation of the policy resources required (time, energy, commitments in other policy areas, economic resources, etc.) to obtain Congressional approval for postal reform. After the basic strategic decision was made at the White House level, control of the postal reform issue was left entirely to the Post Office Department. Only after the 13:13 tie vote in the House Post Office Committee and the ensuing pay/reform deadlock described in the Case, did control of the issue move back to the White House. When it became clear to the White House Staff that the Administration could not "afford" what were judged to be inflationary postal pay demands, and that postal unions had the power to "veto" any further action of the postal reform package, there emerged an unspoken feeling that the battle for postal reform had essentially been lost because the price of victory had become unacceptably high. (26) At this point, as the Case shows, the fortuitous and opportunistic intervention of White House Staff Aide Charles Colson became a force which served to unlock the stalemate, albeit at an ultimately high direct cost to the Administration.*

*This reconstruction of events is based primarily on information provided by Colson and Ehrlichman during our interviews with them. Both described PMG Blount as being quite upset over what he saw as "meddling" on the part of White House Staffers. PMG Blount took exception (during our interview) to the notion that the POD had in any sense "lost control" of the reform situation or that he had called upon the White House for help. Furthermore, he minimized the impact of Colson's intervention and vigorously objected to the suggestion that postal reform was "dead" until Colson's initiative "revived" it.

Several of President Nixon's top advisors told us that, in looking back on the history of postal reform, they were surprised at the high magnitude of policy resources which ultimately became committed to the reform issue as PMG Blount carried on the implementation of the early White House strategic decisions. They referred not only to economic costs, but also to time, energy, and other intangible political costs.⁽²⁷⁾ One highly placed White House Aide⁽²⁸⁾ colorfully characterized the unexpected nature and magnitude of the policy resources expended, in this manner:

"As things unfolded, I think you found both sides engaged in a battle of dimensions never envisioned. Both sides were pushing in more chips than anyone had ever planned to put into the game. Anyone's ability to gauge these stakes in advance was very, very limited. At the start, nobody really anticipated that opposition would be so severe or diverse, or that the stakes and costs would escalate that high. In some games, once things escalate, it is good judgement to pull out. However, if you've made a particular objective the cornerstone of your package of objectives, you're sort of committed to stay in the game, even if you have to put up more chips than you ever planned on." (p. 9)

Undoubtedly, there were numerous factors which influenced this under-estimation of the nature and magnitude of the policy resources which would eventually be expended in pursuit of postal reform. Based on our interviews and overall knowledge of the situation, it is my interpretation that the following three factors exerted a significant influence:

- 1) An over-estimation of the effectiveness of public support as a policy instrument.
- 2) An under-estimation of the power and the strength of the objections of the postal unions.
- 3) A lack of appreciation of the possible unanticipated consequences of PMG Blount's "crusade" for postal reform.

1) Over-estimation of the Effectiveness of Public Support as a Policy Instrument. The Nixon Administration placed a high value on the widespread public support for postal reform which had been emanating from the press, at least some parts of the business community, various special interest groups, Congressmen from both parties, etc. The likely impact of this public support on the policy formation process appears to have been exaggerated. This over-estimation created unrealistic expectations that were impossible to meet when exposed to the tests of the Congressional arena. Dr. Martin Anderson, (29) Director of Research during Nixon's 1968 campaign, and later chief staff aide for the Presidential Transition Task-Force directed by Arthur Burns, provided a succinct description of the atmosphere prevailing at the time these over-estimates were made, in these words:

". . . everyone thought that postal reform was necessary and was a 'good' program. We were never aware of any objection to the idea within the Republican 'family' involved in the search, or in the other contact we made." (p. 2)

Obviously, not everyone thought that postal reform was a good and necessary program. While it is true that there was widespread public support for the idea, it is not at all clear that this support could readily be converted into favorable Congressional votes.* Beyond the erroneous assumption of isomorphism between public support and Congressional action, Anderson's remarks are quite significant because they tend to indicate not only the limited scope and direction of search, but also some lack of sensitivity to the "learning feedback" dimension.

In this situation, the Kappel Report, and other widely published material, gave clear evidence of the various sources of potential

opposition to postal reform (especially the corporation plan). It seems to me to be clear that systematic attention to learning feedback would have highlighted this and other information which could have severely challenged the "everyone supports postal reform" thesis. Of course, in some situations, an over-dependency on learning feedback might introduce a conservative bias strong enough to undermine progressive reform efforts. To the best of my knowledge, this was not a relevant factor in this situation.

2) Under-Estimation of the Power and the Strength of the Objections of the Postal Unions. The Kappel Report (and other public material) well documented the opposition of the postal unions to the corporate reform idea. Nonetheless, in the euphoria evidenced by Anderson's remarks (quoted above) the Nixon Administration discounted the likely union opposition as a major stumbling block in the path to postal reform. This seeming lack of political realism may be explained in one of two ways. First, it is possible that the Republican Administration simply perceived no open options for dealing with the union opposition, and, therefore, chose to ignore it and to operate on other variables. More realistic, I think, is a second explanation, which has to do with the subjective "images" of the postal unions held by key Administration policy actors. This image portrayed the postal unions as a fragmented, self-serving alliance of lobbyists not deserving of being characterized as "real" unions or as a potent part of the American labor union movement. This "image" may well have inclined the policymakers to make distorted judgements regarding the strength and depth of the postal

unions' opposition to the corporate reform proposal, and their (in)-ability to mount any coordinated, effective anti-reform campaign.

During the latter phases of the postal reform policy formation process, the "image" was shown to be incorrect, or at least outdated, and the potency of the union power and the seriousness of their objections became all too obvious to the Administration. However, by that time, the dynamics of the ongoing conflict had already pushed both sides into rigid postures. Also, it seems likely that as the degree of intensity of the Administration's commitment to postal reform became clearer, it precipitated stronger union opposition, and vice versa.

3) Unanticipated Consequences of Blount's Crusade for Postal Reform.

As the Case well demonstrates, Winton Blount was ideally suited to lead the crusade for postal reform. He was totally committed, personally, as to the "righteousness" of his cause. He was aggressive, competent, and unyielding, even in the face of the entrenched opposition, and despite the low policy feasibility ascribed to the postal reform proposal by veteran observers of the Washington scene. (30)

However, crusades can be costly affairs, especially when pursued with missionary zeal and a rigid approach which seemingly preferred to forcibly penetrate, rather than to avoid or to go around barriers. Blount's tactics in pursuing the Holy Grail of postal reform were criticized from various sources (friend and foe alike) as being insensitive, unduly aggressive, sometimes abrasive, and always inflexible. The essence of these criticisms is captured in these colorful

remarks of a highly-placed member of the White House Staff: (31)

"We expected some destruction and we knew we would have to do some rebuilding, but at certain points we were asking ourselves, 'Did he (Blount) have to knock over that Cathedral? " (p. 7)

I pass no judgements on these criticisms, but point them out as the source of many real and imagined irritations to sensitive political egos. This situation does suggest, however, that even the "right" man for the change-agent role may well behave in a manner which produces costly and/or unanticipated consequences.

It is my strong impression that at least some of Blount's tactics led to more rigid opposition, which, in turn, served to increase the magnitude of the overall policy resources necessary to achieve passage of the postal reform legislation. In making this observation, I feel compelled to recognize Blount's dominant role as the driving force behind the reform movement during the Nixon Administration, and I by no means intend to detract from his critical, positive contribution to the policy formation process.

11E. Nomination of Bount as Postmaster General

The nomination of Winton Bount as PMG can be viewed as the first tactical decision within the overall postal reform strategy on the part of the newly elected Republican Administration. President Nixon's preconceived notion that the Post Office Department should be run as a business* although not necessarily in the form advocated by the Kappel

*This notion is clear from Nixon's campaign remarks in which he addressed the need for reform of the POD and stated: "I think we need a new system in order to do it, and if we have to move toward more business practices, get private enterprise into it on a proper basis, that is what we will do."

Commission, influenced his decision about the kind of personality he chose as PMG. As the Case describes, some of those considerations were discussed during the meeting held by Nixon with Fredrick Kappel a few days after the 1968 elections. In that meeting, Kappel told Nixon that the ideal PMG appointee should be a "non-political person with strong leadership qualities, lots of savvy, organizational experience, recognized management capability--but above all, should be a hard-headed organizer; a man who could cut through the barriers." The above observation clearly shows that personal characteristics and institutional base constituted the main selection criteria for the new PMG. This suggests that the image of the problem held by the policymaker may have had considerable impact on the specifications of the search for recruitment. As was noted in the earlier analysis of the Conception and Birth Phase, a similar phenomenon appeared to influence the formation of the Kappel Commission.

Blount, in a relatively short time, became a believer in the postal reform idea as advocated by the Kappel Report. The recommendations of the Report appear to have fit well with Blount's own ideology and managerial orientation. A short time after Nixon offered him the position of PMG, Blount met with former PMG O'Brien to discuss the postal reform issue. O'Brien's observation on that meeting may shed some light on the nature and degree of Blount's prior commitment and orientation:

"Well, of course Red Blount did come to see me soon after he was appointed Postmaster General; I don't know for sure, but I presume, and he didn't say anything to the contrary, that he had some prior commitment from President Nixon on this, and had formed some opinion of his own. As

I recall, when he did come to see me the first time, he didn't really initially reveal his position on the whole matter, but he was sort of probing me and getting my reaction and opinions, and I can say that I exhibited to him my very deep concern and deep commitment for the whole idea. Not in any partisan sense, but in terms of actions that were necessary to save the department in terms of giving the public the best service at the level it deserved and the necessity to take care of a whole host of really tragic situations that I sensed, as I said earlier, when I sat in that chair only for a few months as Postmaster General. When I made my position very clear to Blount, he at that time made clear also his position that he was quite sympathetic with the Kappel recommendations, and intended to do all he could to move in that direction. Of course, as you know, once a guy like Red Blount is committed and decides to move in a certain direction, that's a pretty powerful motivation".(33)

Thus, it is clear that any analysis of the implementation of the Nixon Administration's postal reform strategy would be incomplete without taking into account Blount's critical role. Blount more than Nixon became committed to a specific solution; one which he strongly advocated within the Administration. He accepted the job of PMG on the condition that Nixon would fully support him in working for Congressional approval of postal reform.(34) This description of events, as provided by Blount, was also confirmed by President Nixon.(35) Although it would be simplistic to attempt to explain President Nixon's strategic decision-making solely on the basis of Blount's high degree of commitment and strong advocacy; it seems to me that Blount's persistence can be viewed not only as a factor tending to confirm the early thinking with the Nixon Administration, but also as a catalyst which precipitated the continuing support of the White House even in the face of unexpectedly high costs.

11F. The Decision to Abolish Postal Patronage

In January 1969, President Nixon surprised both Republicans and Democrats alike by announcing that he had decided to end the long-standing practice of staffing the postal system with political appointees. This unusual and difficult decision for the Nixon Administration to abolish postal patronage and to voluntarily relinquish so many jobs for its politically deserving (about 1800 postmasters and 1600 rural carriers) should be viewed as an integral part of an overall strategy aimed at establishing credibility in the Congress and with the public regarding the new Administration's intentions vis-a-vis postal reform. In a broader context, the plan to abolish postal patronage fit well into the new Administration's objective of re-establishing public confidence in government.

In Burn's words: (36)

"One important thing here is the fact that a number of us felt a real need for this Administration to do something which would re-establish public confidence in government. It was obvious that the confidence had been severely tested. We looked for programs which would help restore it. Taking the Post Office out of politics especially the patronage part--was viewed as fairly important and dramatic move which would have positive appeal. . ." (p. 2)

This strategic decision, taken less than three weeks after Nixon's entrance into the White House, created serious resentment in Congress, on both sides of the aisle. The resentment, especially among the Republican Congressmen, was more about the timing of the decision and the lack of prior consultation, than about any essential opposition to the idea. Although Bryce Harlow, President Nixon's aide for Congressional liaison, tried to explain to the angry Senators and Congressmen that

there was not any conscious effort on the part of the White House to short-circuit Congress, (37) there exists evidence that this action was an intentional move designed to avoid potential pressure from Republican Congressmen to delay the decision until the vacant jobs could be filled by Republicans. Knowing that the Administration would not gain favor with "professional Republican politicians" by abolishing postal patronage, the main strategy was to work toward a much broader public appeal with a rather dramatic move which undeniably was a large first step in removing the POD from politics. (38)

PMG Blount, in our interview with him, defined this tactical move as the cornerstone of the future Administration victory. (39) Even if Blount's assessment about the impact of this decision is somewhat overestimated, other closely-involved actors interviewed by us (Burns, Ehrlichman, Harlow, Derwinski, and others) expressed the view that this decision was certainly effective in terms of increasing the credibility of Nixon's determined efforts aimed at achieving Congressional approval of his postal reform proposal. Therefore, it put the Administration in a stronger tactical position in the subsequent legislative maneuvering over postal reform. Thus, the costly (at least in the near term) decision to abolish postal patronage again reveals Nixon's strong commitment to postal reform. It is also another indication of the Administration's explicit, broad strategy for achieving postal reform, even though that strategy was apparently a rather informal one which emerged out of the tacit consensus of key White House advisors. Arthur Burns described the patronage decision in this manner: (40)

" . . . it would be fair to say that our overall strategy was, first, moving on the patronage issue as a means of establishing public confidence in government and of establishing our credibility and seriousness. Reorganization (of the postal system) followed as the next logical step. Both were part of a package which we were convinced was the right thing to do." (p. 3)

11G. Summary

In this selective analysis of the Transition Phase, we have examined the impact of a change in political Administrations on the postal policy formation process. This analysis showed that a complete hiatus in the process was precluded by several factors. The major explanatory variable was the early strategic decision flowing from President Nixon's initiative, resulting in his endorsement of postal reform and the decision to make its legislative achievement a major goal of his Republican Administration. We have seen that this key decision was largely the result of the "match" between Nixon's ideological and instrumental beliefs about government, and the "availability" of the postal reform idea as an at least partially developed "policy package" which could be relatively easily converted into an operational legislative package. This analysis also highlighted the crucial role of strategic choices in providing a framework for subsequent decisions and actions. It also brought out the important role of analysis in molding the degree of personal commitment which key policy actors may initially hold intuitively.

In addition, this analysis also served to increase our understanding of the role and impact of a highly committed policy actor

who operates in a crusading role to accomplish change thought to be very unlikely to occur. The costly nature and unanticipated consequences of such a leadership style were also examined.

Finally, the impact of a strong a priori commitment, in terms of suppressing additional analysis and diverting attention away from the policy cost dimension, was explored.

Notes for Chapter Eleven

- 1) Dr. James Schlesinger, Testimony in Hearings before the Subcommittee on National Security and International Operations of the Committee on Government Operations, United States Senate, 91st Congress, U. S. Government Printing Office, Washington, D. C., 1969, p. 311.
- 2) Frank Popper, The President's Commissions; New York, Twentieth Century Fund, 1970.
- 3) Interview with Fredrick R. Kappel, former Chairman of the President's Commission on Postal Organization, and confirmed by other interviews.
- 4) Interview with Robert P. Mayo, Former Director of the Bureau of the Budget.
- 5) "Nixon On the Issues", A Compilation of Positions taken by Richard Nixon during the 1968 Presidential Campaign. Published by the Nixon-Agnew Campaign Committee, October 17, 1968, pp. 173-174.
- 6) Interview with Representative Edward J. Derwinski (R., Ill.), Minority Member, House Post Office and Civil Service Committee.
- 7) Interview with Lawrence F. O'Brien, former PMG.
- 8) Interview with Dr. Arthur F. Burns, former Councilor to President Richard Nixon.
- 9) Based on the tabulation of congressional interviews made by the Kappel Commission. See Commission retained files.

- 10) This was suggested during our interviews with former PMG O'Brien, and with Bryce Harlow, former Special Counselor to President Nixon.
- 11) O'Brien interview, op. cit.
- 12) See Section 11F below concerning the decision to abolish postal patronage.
- 13) Bryce Harlow interview, op. cit.
- 14) Burns interview, op. cit.
- 15) Interview with Charles L. Selmiltze, former Director of the Bureau of the Budget.
- 16) Suggested by Mayo during our interview with him.
- 17) Burns interview, op. cit., p. 2.
- 18) Ibid., p. 3.
- 19) Ibid., p. 3.
- 20) Kappel interview, op. cit.
- 21) Remarks of PMG Winton Blount at a Press Briefing before the National Press Club, Washington, D. C., May 28, 1969.
- 22) Memorandum for the President by James R. Schlesinger, Acting Director of the Bureau of the Budget, "Control of the Postal Service under the Proposed Postal Reorganization and Salary Act 1970", May 1970. See also the memo for the Director of the Budget by Ad hoc committee for

review of the Kappel Report, September 3, 1968 and September 19, 1968.

23) Mayo interview, op. cit., p. 18.

24) Burns interview, op. cit., p. 3.

25) See Internal POD memo from General Counsel to the PMG, "Reform, Pay, Rates", February 17, 1970, including draft memorandum for the President, same subject.

26) Interview with John Ehrlichman, Special Assistant to President Richard Nixon.

27) Typical of the views in this vein were those expressed by Burns and Dr. Martin Anderson, his aide, during our separate interviews with them.

28) Interview with Richard Burris, Special Assistant to Presidential Counselor Arthur Burns, p. 9.

29) Interview with Dr. Martin Anderson, Director of Research for the 1968 Nixon Presidential Campaign, and later chief staff aide for the Presidential Transition Task-Force directed by Dr. Arthur Burns.

30) This interpretation was reflected during many of the interviews.

Representative were the remarks to this effect by Harlow and Ehrlichman.

31) Burris interview, op. cit., p. 7.

32) Not used.

33) O'Brien interview, op. cit.

- 34) Blount interview, op. cit.
- 35) President Nixon, as quoted in Peter Bolter, "What's Wrong with the Post Office?", American Legion Magazine, February, 1969.
- 36) Burns interview, op. cit., p. 2.
- 37) As described in "Last to Be Told: GOP Senators Stop Nixon", Washington Daily News, February 7, 1969.
- 38) Burns interview, op. cit., p. 2.
- 39) Blount interview, op. cit.
- 40) Burns interview, op. cit., p. 3.

Chapter Twelve

Selective Analysis of the Realization Phase

12A. Introduction and Overview

This analysis of the Realization Phase will be much less detailed than was the earlier analysis of the preceding Phases. This is so, because, when viewed from a perspective of the strategic aspects of the overall policy formation process, much of the activity in this Phase represents tactical legislative maneuvering aimed at implementation of strategic decisions taken in earlier Phases. By this time, the policy formation process had matured to a state wherein the policy system had become preoccupied with a concern over legislative approval of earlier reform efforts.

During this Phase, most of the policy actors operated through political channels. This mode of operation was, in large measure, pre-determined by the following factors:

- 1) earlier strategic choices regarding the scope and intensity of policy change now required political ratification.
- 2) activity in the Phase was basically legislative in nature, thus requiring that it be played-out in a Congressional context.
- 3) this Phase was dominated by the rather intense interactions of a relatively small number of policymakers.

Thus, political variables were the most active and influential ones during the Realization Phase. However, as Dolenga points out⁽¹⁾, analytical inputs from prior Phases (especially the Kappel Commission Report) had a distinct influence on the operation of the policy formation process in this Phase.

The specific analysis of the Realization Phase will focus on those

components of the conceptual framework which encompass the many aspects of policy strategies. In particular, we will be concerned with the following dimensions:

- 1) the need for change
- 2) varying perceptions of reform
- 3) Administration Strategy (in terms of political sensitivity and strategy flexibility)
- 4) the impact of crisis on the policy formation process
- 5) the motivation and role of key policy actors

12B. Legislative Proceedings and the Need for Change

As already noted, legislative activity in a congressional context dominated this Phase of the Postal Reform Case. Examination of the extended Congressional proceedings during the long Hearings and the Committee deliberations clearly revealed a high degree of dissatisfaction with the existing state of the postal system. There was common agreement on the need for policy change, but disagreement on the appropriate intensity and scope of change.

This conclusion, reached first on the basis of our interviews, is also consistent with the House Committee Report which states:

There is unusual agreement among postal officials and independent authorities on the need for sweeping reforms in the postal policies and operations. Not a single witness who appeared before the Committee argued that the Post Office should be continued without change. This is all the more remarkable in the light of the fact that the record of Committee Hearings, extending now over 1500 pages, reflects every interest viewpoint and was open to witnesses holding widely differing positions. Although this record contains disagreement about the precise form that postal modernization should take, there is virtual unanimity of dissatisfaction with the present state of the Postal system. (2)

12C. Varying Perceptions of Reform

Although the Kappel Commission Report uses the term "sweeping reforms", analysis of the Congressional Hearings shows that the various actors held quite different perceptions of the meaning of sweeping reforms or fundamental change. Chairman Dulski perceived, for instance, that his H. R. 4 Bill constituted a radical change and represented major reform. As Dulski commented at one Committee Hearing:

"I certainly agree that major change, possibly even radical change, are needed in our postal policy. Don't you think that H. R. 4 and other bills that do not enhance the corporate idea have postal reform?" (3)

PMG O'Brien revealed his perception of reform when he said:

"I believed that piecemeal solutions will not affect the underlying problem which is to place the postal service in a totally non-political context." (4)

Varying perceptions of the term "reform" were shaped: partly by actors intentions; partly by images of potential utilities and disutilities; and partly by actors' estimations of the likely results of different alternatives. Behind the incremental vs. radical (or fundamental) facade the issue under decision involved changes in deeply rooted rules-of-the-game, and touched upon very strong vested interests.

The postal reform proposal, as presented in various Administration Bills, was, in effect, directed at changing the "division of labor" between the Congress and the Post Office Department. The objective, of course, was to strengthen the policy influence of the POD. From this point of view, the Nixon Administration's goals and strategy were consistent. Although the reform proposals appeared for tactical reasons under different names, sometimes being sponsored by different Congressmen, the main strategic patterns were the same. These were aimed at changing the

distribution of power between the Post Office Department and the Congress. Such a significant transfer of power is nearly always resisted, especially where there exists a traditional coalition between powerful vested interests (here, the postal unions and the House Committee).

Although the arguments for and against the postal reform proposal suggested by the Administration included a wide spectrum of discrete postal issues, the justification given by the opponents and proponents in the course of the Hearings was hardly new. They included the traditional arguments for and against incremental changes, tailored to the postal situation. Congressional Hearings reflected that different actors in inter-organizational decision-making situations approach the problem with a different set of goals, values, etc. While the Administration saw postal reform mainly in terms of efficiency and effectiveness, some Congressmen saw it as a dilution of their direct influence over the Post Office, and a decrease in the Executive sensitivity to particular interests.

12D. Administration Strategy

As already noted, most significant strategic decisions were made in earlier Phases of the Postal Reform Case. Here we will view the implementations of the prior strategic decisions, along two dimensions; political sensitivity and strategy flexibility.

12D1. Lack of Political Sensitivity. One striking characteristic of the Nixon Administration's behavior during the legislative process was a lack of political sensitivity. This lack of political sensitivity carried with it some advantages and disadvantages.

The advantages of this lack of political sensitivity are seen in the determined efforts to strive to overcome apparently insurmountable barriers and to achieve not only the improbable but the nearly impossible. There exists nearly complete agreement among reform proponents and opponents alike that PMG Blount's political insensitivity and strong dedication were among the main explanatory variables of why this "political miracle"⁽⁵⁾ materialized. This observation goes along with the criticism that Blount's inflexibility and lack of political sensitivity created some unnecessary problems with the Congress and the postal unions which probably could have been avoided or at least considerably reduced.

The disadvantages resulting from a lack of political sensitivity are not difficult to identify. They include:

- 1) the creation of unnecessary tension with the Republican members of Congress by the surprise strategic decision to abolish the postal patronage for which they had not been prepared in advance;
- 2) the almost complete absence of communication with the union leaders during the first months in office which created "ill feelings" among some of them and presumably did not contribute to the establishment of better understanding. PMG Blount, himself, admitted in our interview that this was a mistake on his part;
- 3) the White House (Colson's) strategy to keep Congress and the union leaders out of the picture during the Colson-Rademacher negotiations.

12D2. Strategy Flexibility. The rigidity and inelasticity of the Administration strategy to tie the pay bill with reform, and Congressional maneuvering, are the main suggestive variables which unintentionally contributed to an accumulation of frustration among postal rank and file, which finally led to the postal strike. This strategy, and especially

its inelastic implementation, was expensive in terms of missing options and irreversible facts while the policy formation was proceeding. Although during the postal strike Blount declared that the President had never made the pay increase a hostage for reform,⁽⁶⁾ there is clear evidence that this was in fact, the Administration strategy, at least after the Rademacher-Colson agreement.⁽⁷⁾

Our interview responses on this issue can be categorized into three groups:

One group, composed mainly of Congressmen and union leaders who opposed the Administration reform proposal, challenged the validity of the strategy of tying the pay increase with reform, arguing that this strategy led to the unnecessary postal strike.

The second group, composed mainly of Post Office top officials, including Postmaster General Blount, expressed the view that in the particular circumstances of power distribution this was the only strategy to get the reform through Congress. Consistent implementation of this strategy, according to this view, made postal reform possible.

The third group, which includes many reform proponents within and outside the Administration, did not challenge the essence of this strategy, but criticized its rigidity and inelastic implementation. This kind of criticism is well reflected in Labor Secretary Shultz's statement:

"To link the justifiable demands of postal employees with reform and to leave the thing pending seems to be a colossal error for which we now pay a great penalty."⁽⁸⁾

This frequently voiced criticism of rigid implementation seems to have considerable validity.

12E. The Impact of Crisis on the Policy Formation Process

A central issue of major theoretical and pragmatic importance is the impact of the postal strike on the postal reform policy formation process. We will deal with this issue by examining the following dimensions:

- 1) The strike-crisis: systems behavior and general characteristics
- 2) Strike-crisis as a critical mass
- 3) Feasibility and consensus building
- 4) Crisis and policy feasibility
- 5) Attitudinal changes
- 6) Search behavior

1) The Strike Crisis: Systems Behavior and General Characteristics

Despite persistent reports⁽⁹⁾ of serious unrest among the rank and file, postal officials operated under the theory that a strike wouldn't occur. The postal officials told Congressional leaders and reporters that the strike talk by unions was "just talk" and that the postal unions would "run like turkeys" if a strike situation came up.⁽¹⁰⁾

Our interviews with postal officials,⁽¹¹⁾ the Assistant Secretary of Labor,⁽¹²⁾ and well-known labor reporters in Washington,⁽¹³⁾ clearly show that the strike (and especially its rapid spread) was an unexpected shock for the Post Office Department. Case data and interviews⁽¹⁴⁾ show that the Post Office Department was not prepared for strategic crisis management of such a scope.

This thesis is also supported by a Kappel Commission internal study entitled, "Impact of Strike on the POD". This study clearly points out that the Post Office had no contingency plan⁽¹⁵⁾ in the event of

strike, and gives this explanation:

"The Post Office Department has no contingency plan in the event of strike or slow down in the postal system. A request for information from POD officials as to the impact of the postal strike was met with the observation that the possibility of a strike was almost unworthy of serious consideration because of the legal prohibition against postal strikes." (16)

Although this source of information may have some limitation because of the time lag between the observation made and the timing of the postal strike, its main value lies in the potential explanation of why anticipatory measures were not undertaken.

In addition to the explanation given above, case data suggests that the main explanatory variable of Post Office behavior lies in the images held by top postal management of the unions as lobbyists and low risk-takers. The tendency of the Administration, and especially the Post Office top management, to perceive the unions' risk-acceptance behavior from the stand point of their own approach, inclined them to make distorted judgements about the unions' intentions regarding strike action.

Not only was the strike a shock to the Post Office Department, it also surprised postal union leaders. Although James Rademacher, President of the National Association of Letter Carriers (NALC) himself predicted a strike if there were no solution to the pay/reform impasse, (17) even he was surprised at the suddenness with which it came. Moreover, the work stoppage caught the AFL-CIO, with which NALC is affiliated, completely off-guard. (18) A top AFL-CIO official admitted:

"It came from out of nowhere. We were aware of rumblings, but we did not know they were immediate and urgent." (19)

The Postal Unions, like the Post Office Department, were not experienced

and not prepared to manage a crisis of such proportions.

Creation of Artificial Crisis. Some actors on the union side repeatedly accused the POD, and PMG Blount personally, of creating an artificial catastrophe to make the postal reform idea more palatable to the public and to Congress. A more restricted "tone" of this charge may be heard even in the Congressional Hearings:

"Sometimes I am inclined to think that the present postal administration is deliberately trying to run the postal service into the ground--to create an artificial catastrophe in the mail--simply to make the corporation idea more palatable to the public and the Congress." (20)

I could not find any supporting evidence for such a charge. On the contrary, the data supports the thesis that the strike came as a surprise for the Post Office Department and the Administration. Of course, the reaction of the POD and the Administration once the strike had begun is another matter. As the Case demonstrates, the Administration did attempt to make strategic use of the strike, once it had started.

Summary. Examination of the postal strike-crisis leads us to the conclusion that neither the Administration nor the postal unions were prepared to manage a labor crisis of Federal employees of such a scope. Particularly striking are the following:

- lack of strategies to deal with the issue
- lack of contingency plans
- lack of mechanisms, doctrines, etc.

The strike situation clearly demonstrated the inability of both the Post Office and the unions to react appropriately to the new and the unfamiliar. Furthermore, the charges that the POD wanted to (or did) create

an artificial crisis in order to increase the political feasibility of the postal reform legislation could not be supported.

2) Strike-Crisis as a Critical Mass

During the period from the Conception and Birth Phase until the postal strike, the readiness of the policy system for radical change, increased in a step-level function as a result of dissatisfaction with the effects of past policies and recognition of a performance gap. However, this increase was not sufficient to overcome the strong resistance to the Administration's reform proposal on the part of certain unions and certain members of Congress. The strike-crisis event can be viewed as a critical mass which facilitated the acceptance of radical change on the part of the policy system, even though there were varying perceptions of just what radical change meant operationally.

The Postal Reform experience may suggest the proposition that crisis situations reduce the value sensitivity of various actors and often provide impetus for reconsideration of values which are usually beyond the domain of decisions. This is well demonstrated in the Republican Administration's advocacy of an agreement that would have made the union shop issue a matter of collective bargaining, in apparent violation of the right to work plank of the 1968 Republican platform. It is also evidenced by the Unions' tacit acceptance of the right-to-work amendment, although Meany had previously stated that the "right to work is basically anti-labor in purpose and effect."⁽²¹⁾

To put this in the proper perspective, we must remember that the union shop, or more precisely compulsory unionism, and the right-to-work issue, were value-laden issues for both the Republican Administration

and for labor.

3) Crisis-Feasibility and Consensus Building

The postal strike experience tends to suggest that in crisis situations it is relatively easy to crystallize consensus on radical departures in policy among actors with diverse goals, values, and interests. The existence of imminent danger to actors' high priority goals, of perceptions of urgance, of short decision time, and of a narrow range of open options, may produce consensus that would be difficult to achieve in non-crisis situations.

The conditions of imminent danger to actors' high priority goals were well reflected in White House internal deliberations⁽²²⁾ and in President Nixon's declaration of a national emergency, wherein he stated that "the issue is survival of government based on law".⁽²³⁾ For the NALC and for other unions, the issue was union survival.⁽²⁴⁾

The perception of urgency and short decision time were reflected in the Union-Administration strike settlement negotiations and in the Congressional rush to pass Phase I.* The legislative proposals regarding Phase I of the total postal reform legislative package were sent to the Congress on April 3, 1970, was signed by President Nixon less than two weeks later, and became a law on April 15, 1970.⁽²⁵⁾

The differences between crisis and non-crisis situations are well reflected by Congressional behavior in Phase II** of the postal reform legislation. The relative absence of urgency and stress, which produced

* Phase I- Pay raise legislation.

** Phase II - Postal Reorganization legislation.

momentary fluctuation in the stable incremental Congressional legislative process in Phase I, made the task of consensus building in Phase II more difficult⁽²⁶⁾ and the tendencies of the incremental processes to reassert themselves became more visible.⁽²⁷⁾ This situation is well illustrated in PMG Blount's urgent memo to President Nixon asking his "intervention" to obtain an "unequivocable commitment" from Congressman Corbett (the ranking minority leader in the House Post Office and Civil Service Committee) to support Administrative strategy. Blount wrote:

"The Committee added 10 amendments to HR 17070 during its deliberations in executive sessions. Several of these amendments would seriously jeopardize the objective of achieving meaningful postal reform. . . . "

"It is absolutely critical that the Administration obtain a firm and unequivocable commitment from Congressman Corbett that he will actively support this Administration's strategy."⁽²⁸⁾

4) Crisis and Policy Feasibility

Closely related to consensus-building is the issue of policy feasibility. The intensity of the interface between the Post Office and the Congress, and the existence of strong coalitions between the Congressional Post Office and Civil Service Committees and the unions, made the Administration reform proposal practically impossible unless accompanied by some changes in the political rules-of-the-game. Such changes were not regarded as forthcoming: Postal reform was, accordingly, deemed untenable by many of those who had recognized the need for a fundamental reform and were ready for it.

The view that postal reform was infeasible, even a few months before the enactment of the legislation, was clearly confirmed by all policy

actors interviewed, including reform proponents and opponents alike.* Review of the voluminous press coverage, editorials, (29) etc., related to the period of investigation, leads to the same conclusion. Similar responses were recorded in our interviews with several prominent Washington journalists (30) knowledgeable in this field. Perhaps the most typical estimation of reform feasibility reflected in the press is summarized in the New York Times: (31)

"Outlook: proponents of reform believe it may be several years before sufficient Congressional support can be mustered to enact the corporate idea."

This estimation is especially important, since it had been published less than two weeks before the basic strike-settlement agreement was reached. Bryce Harlow, Presidential Counselor, and an experienced politician, told us in our interview that the passage of postal reform was a "political miracle" and that any reasonable politician would have given up long before its passage. (32) President Nixon himself admitted:

"I know you are aware of the fact that when he (PMG Blount) assumed this office the chances of this postal reform being approved, and now being signed today, were considered to be very, very small." (33)

The postal reform experience clearly reflects both the value of and the difficulties involved in an estimation of political feasibility. This may suggest normative implications to the effect that any political feasibility estimate, however carefully derived and however correct at its time, must be regarded as provisional, sometimes to be taken up as a challenge rather than accepted as an absolute constraint.

The postal strike situation demonstrates that policy feasibility is

* PMG Winton Blount was, of course, a distinguished exception.

often a time sensitive endeavor, but the relationship between time and policy feasibility may be neither linear, nor fixed in direction, nor continuous. In this situation, feasibility increased in jumps as a consequence of crisis. The postal reform experience further suggests the importance and potential usefulness of preparing in advance suggestions for policy improvement, even at a time when their political feasibility is low. Such suggestions may become feasible due to crisis, missionary commitment of leadership, or pressure of new problems.

5) Crisis and Change of Existing Attitudes

One of the issues which emerged in this study was, to what extent the postal strike-crisis situation changed the existing attitudes of the actors involved in the situation. The results of interviews with union leaders, Congressmen, and Executive Branch top officials suggest that crisis interface did not change the existing attitudes.

The postal strike-crisis situation created a context that led actors to behave in certain ways which facilitated consensus. However, earlier patterns of behavior tended to quickly reassert themselves after the danger of imminent crisis was over. For example, in describing the post-strike negotiations with the Post Office Department, the head of the largest postal union said:

"It is my contention that management never intended to bargain with us in good faith. Negotiation, after all, is the art of give and take. Management was more than willing to take anything it could lay its hands on, but it was absolutely adamant about giving--even on the smallest and most inconsequential points. Their proposals were merely insulting--designed only to take away some rights we already possess, and not to embellish existing rights. We sat around the table during a period of 90 gruelling days and never once did management show the slightest indication of reason or compassion." (34)

This suggests that what really happened was that crisis created a shift in the priority of goals, but produced no lasting attitudinal changes.

6) Search Behavior

The postal strike crisis clearly demonstrates that in crisis situations the systematic search for alternatives is considerably reduced and there exists a tendency to consider fewer alternative solutions, as compared with other phases of policy formation. A short decision time imposed rigid restrictions on the scope and duration of the search that could be undertaken. This does not mean that an extensive, less systematic search process did not take place. The strike-crisis phase involved an increased search for definitional information,⁽³⁵⁾ but this search can hardly be characterized as systematic. It was carried out through very limited channels (mainly by top officials of the Labor Department) and it was focused on "putting-out-fires", rather than preventing conflagration.

Although an absence of longer range and systematic search was tempered somewhat by Labor Secretary Shultz's innovative and unconventional approach to the problem, very limited systematic search and ad hoc response to the problem was still the dominant mode of operation. Shultz's behavior during the strike crisis may suggest that imaginative policy makers are able to conceive a number of possible responses without engaging in systematic search. This is consistent with the suggestion in the framework about the important role of extra-rational processes in policy formation.

12F. The Motivation and Role of Key Policy Actors

The conceptual framework suggests that policy actors' motivations and intentions depend on the images of the potential utilities and disutilities associated with discrete policy alternatives. The images of potential utilities may depend in part on the goals of each actor and his estimation of the results of the different alternatives. We will apply this concept to the behavior of two of the main policy actors who influenced the Realization Phase.

12F1. Chairman Dulski. Before applying the above concept to an analysis of Chairman Dulski's motivations, we must first try to identify Dulski's goals and his estimation of the potential impact of different alternatives.

Our interview data and an extensive examination of archival material strongly suggests that Dulski's ultimate goal was to maintain the status quo in the distribution of power between the Post Office Department and the House Post Office and Civil Service Committee which he chaired. The postal reform proposals were directed at changing the "division of power" between the POD and the Congress (in this instance the House Post Office and Civil Service Committee) in the direction of increasing the autonomy of the Post Office and strengthening its influence on policy. Such a transfer of power is nearly always resisted by the "losing" party.

Dulski's motivations can be explained in both institutional and personal dimensions:

- a) On the institutional dimension, the reform proposal if accepted would considerably reduce the power of the Post Office and Civil Service Committee (which was not considered to be one of the most attractive Committees in Congress).

The annual oversight function and responsibility of the Congress included

in the reform proposal, which in practice could be an ample opportunity for the Committee to focus its attention on important policy issues, was not perceived as equal to the existing opportunity to have a subject to grapple with that appeared familiar and easily comprehensible:

b) On a more personal dimension, even though other Committee members saw the Post Office and Civil Service Committee as a stepping stone to other positions in Congress, for Dulski it was probably the peak of his Congressional career and naturally he was sensitive about seeing his base of power swept away.

Dulski soon realized that both the very favorable public response to O'Brien's proposal and the establishment of the Presidential Commission created changes in the situation which required some kind of response. In this light we should view Dulski's initiative to open Congressional Hearings, his testimony before his own committee (an unprecedented move by a Committee Chairman), and finally the introduction of his H. R. 4 Bill as countermeasures to the Kappel Report. Dulski understood that some changes were necessary in order to improve the Post Office operation and he was even ready to transfer some of the power vested in the Congress to the Post Office, but without changing radically the distribution of power between these two institutions.

Dulski's intentions were verbally rationalized by these well-known arguments in favor of incremental strategy:

a) Maximization of Security in Making Change. This argument, extensively used by Dulski during the Congressional Hearings, is perhaps best reflected in his letter to the Editorial Chief of Life Magazine, where he states:

"The step of (change) is easy but the step back would be something else." (36)

b) Intensity of Change. Preferring slow incremental change over

relative long-time period. It was suggested by a staff member⁽³⁷⁾ that Dulski had in mind that after five years there would be the possibility of moving toward the governmental corporation structure.

c) Uncertainty Cause. The argument that the radical change as proposed by the Administration would be associated with the new and the unfamiliar, causing unnecessary problems is well reflected in Dulski's letter to President Nixon, where he states:

". . . The arguments presented in favor of a corporate structure for the postal service, in my opinion, are not necessarily so restricted. These recommendations can be adopted to the department as it is now constituted.

In this way we will not be additionally burdened with the many new problems that would emanate from a completely new entity."⁽³⁸⁾

d) Simultaneous Accommodation of Old and New. Finally, Chairman Dulski's intentions are fairly reflected in his H. R. 4 Bill which clearly demonstrated that incremental change has the advantage of accommodating old interests even while attempting to develop new patterns.

One generalization that seems evident from the study of Dulski's behavior is that few policy actors give up power willingly. If external expectations begin to threaten the traditional power of those holding it, their reaction is to temper it and adjust, while preserving the forms of power by accommodating old interests and attempting to develop new patterns.

12F2. Mr. George Meany. At the signing ceremony which formalized approval of the postal reform legislation, President Nixon remarked that "without the personal support of Mr. Meany and his organization, this reform could not have been accomplished."⁽³⁹⁾ Nixon's remark well summarizes George Meany's dominant role during the strike settlement phase. As the

Case shows, Meany played a critical role in facilitating the historic agreement reached between the unions and the Nixon Administration which ultimately led to enactment of the postal reform legislation.

The Case clearly portrays Meany's consistent opposition during the early stages of the policy formation process to the basic idea of a governmental corporation. He opposed removal of the PMG position from the Cabinet and the severing of Congressional control over postal operations. His position is well reflected in his footnote in the Kappel Report⁽⁴⁰⁾ and in his remarks before the Post Office and Civil Service Committee.⁽⁴¹⁾ His early public sentiments are summarized in the 1969 AFL/CIO Convention Resolution, which states in part:

"Needed reforms and modernization of the Postal Service can be made within the framework of the existing departmental structure."⁽⁴²⁾

Later, as the Case well portrays, Meany supported the Administration's postal reform bill before the Congress. Our interest here will be in examining some of the possible reasons behind Meany's change in position.

During our interviews with them, several AFL/CIO officials suggested that Meany's early public opposition to the corporate reform proposal was mainly based upon the request of the postal unions affiliated with the AFL/CIO.⁽⁴³⁾ My best reconstruction of these events is that Meany honored such a request without devoting too much attention to the postal situation, because of the loose relationship then existing between the AFL/CIO and the postal unions.* This would partially explain Meany's

*A union official who wished to remain anonymous suggested that, at that time, Meany did not consider the postal unions to be a legitimate part of the U. S. labor movement and that their relations with the AFL/CIO were strained, at best.

nominal participation in the Kappel Commission and his one-time request to be removed from the Commission.⁽⁴⁴⁾ Based upon his more recent behavior vis-a-vis the Pay Board, I would speculate that Meany's real motivation for not wanting to become involved in the ongoing work of the Kappel Commission was a desire to avoid co-optation by what he perceived to be a business/management dominated Commission.

When the postal strike reached crisis proportions, Meany's participation was requested both by the White House and by the postal unions. Based on my best knowledge of Meany's role and motivation, I interpret his behavior in the postal strike situation as being related to his much broader objective of institutionalizing collective bargaining in the public sector. It seems plausible that he saw in the postal strike an opportunity to make a precedent-setting settlement that would advance a long term objective which he had long advocated.⁽⁴⁵⁾ This interpretation is supported by Meany's own remarks at the press conference held immediately after the strike settlement agreement was reached. On that occasion he said:

"However the most significant thing about this agreement from my point of view is the agreement of the Post Office Department representing the President of the United States, representing the executive branch of the government, that collective bargaining procedures should be established to cover every single phase of collective bargaining which now prevails in the private sector."⁽⁴⁶⁾

Beyond these pragmatic considerations, two theoretical considerations are worthy of note. First, the above interpretation of Meany's motivation highlights the potential value of examining the spillover effects from other policies as a means of facilitating understanding of proximate behavior. Secondly, the mechanism Meany utilized to coalesce the

fragmented postal unions into a more monolithic bargaining unit seemed to greatly facilitate the strike settlement negotiations, especially since it was matched by a similar arrangement on the government side. The **strike** settlement negotiations, therefore, provide empirical support for Diesing's hypothesis that "bargaining structures are most effective when they are differentiated into a few, ideally two, clearly defined groups." (47)

Notes for Chapter Twelve

- 1) Harold E. Dolenga, "An Analytical Case Study of the Policy Formation Process: Postal Reform and Reorganization.
- 2) Postal Reorganization and Salary Act, 1970. 91st Congress, 2nd Session, House of Representatives, Report No. 91-1104, May 19, 1970, p. 4.
- 3) U. S. House of Representatives Hearings, on Postal Reform, Part I, Serial No. 91-3, 1969, p. 5.
- 4) U. S. House of Representatives Hearings on Postal Reform, Part II, Serial No. 91-4, 1969, p. 597.
- 5) The phrase "political miracle" was by President Nixon's Counsel, Bryce Harlow, op. cit.
- 6) See PMG Blount's statement in the Case description of the strike phase.
- 7) See Rademacher-Colson agreement in Case Description of the strike phase.
- 8) Secretary Shultz, at the NBC "Meet the Press" program, quoted in Washington Post, March 23, 1970.
- 9) Interview with Mr. William J. Usery, Assistant Secretary of Labor for Labor Management Relations, Department of Labor. See also Mr. Rademacher in Postal Record, May 1970, p. 13.
- 10) From working papers of Newsweek correspondent, Tom Joyce.

- 11) See list of postal officials interviewed which appears in Appendix "C" of Dolenga's dissertation.
- 12) Usery interview, op. cit.
- 13) Tom Joyce Newsweek; Bruce Thorp National Journal; Charles Bacon The Wall Street Journal.
- 14) Messrs. Carlin and Blount took exceptions and indicated that the POD had strike contingency plans. To the best of my knowledge, however, these were routine, operational plans and their existence does not undermine our main thesis of "surprise".
- 15) To avoid any misunderstanding, the POD had routine procedures in cases of emergency work stoppages etc. See "Plan for Work Stoppages" POD July 1968.
- 16) Kappel Commission Internal Research Paper IIA "Impact of Strike in Post Office Department" January 11, 1968.
- 17) James Rademacher, President, NALA, in Postal Record, May, 1970.
- 18) Based on interviews with Albert Zach, Director of Public Relations, UAW/CIO H. Q. and with James J. LaPenta Director, Federal Public Service Employees Division, Laborers International Unions.
- 19) Union's top official quoted in Tom Joyce's working papers, op. cit.
- 20) James H. Rademacher President, National Association of Letter Carriers in Senate Hearings; Postal Modernization, 1969, p. 808.
- 21) Letter from Mr. George Meany, President of the AFL/CIO, to members

of Congress, June 14, 1970.

22) See the Description of the Meeting at the White House held on March 21, 1970 in the Case description of the strike phase.

23) President Nixon's T. V. Broadcast, March 23, 1970.

24) President Rademacher's Biennal Report, Postal Record, May, 1970.

25) Public Law 91-231.

26) Interview with Representative Edward Derwinski (R., Ill.), member, House Post Office and Civil Service Committee.

27) See for instance Congressional Hearing relating to Phase II of Postal Legislation.

28) Memorandum for the President by PMG Winton M. Blount, "Request for Meeting with Congressman Corbett on Postal Reform," June 3, 1970.

29) See the POD Compilation of editorials and press clippings referenced in the Case.

30) See Note 13 above.

31) New York Times, April 22, 1970.

32) Bryce Harlow, op. cit.

33) Remarks of the President upon signing the Postal Reform Bill, August 12, 1970. White House Press Release of same date.

34) Statement by James H. Rademacher, President of the National Association

of Letter Carriers, Before House Sub-Committee on Postal Service, May 7, 1971.

35) Interviews with Usery, op. cit., and with Jack A. Warshaw, Labor Department.

36) Letter by Chairman Dulski to Mr. Handley Donovan Editorial Chief, Life Magazine, November 29, 1969.

37) Interview with Mr. Frank C. Fortune, Coordinator, House Committee on Post Office and Civil Service.

38) Letter by Chairman Dulski to President Richard Nixon, October 21, 1969.

39) President Nixon's Remarks upon Signing the Postal Reform Bill, August 12, 1970.

40) "Toward Postal Excellence", op. cit., p. 2.

41) U. S. Senate Hearings Part II, p. 1049.

42) AFL/CIO Convention Resolution 1969, quoted in Hearings Part IV, p. 121.

43) Interviews with Mr. Zach and Mr. La-Penta, op. cit.

44) Memo for the President by Mr. Califano, op. cit.

45) President Meany's Statement before the Presidential Review Committee on Labor Management Relations in the Federal Government, October 23, 1967.

46) Transcript of Press Conference at AFL/CIO Headquarters, April 2, 1970,
p. 1.

47) Paul Diesing, Reason in Society, op. cit., p. 196.

Chapter Thirteen
Summary and Conclusions

13A. Introduction and Overview

It is always extremely difficult to summarize a study of this length and complexity. A brief summary tends to lose the richness of the points in question, while a lengthy summary begins to repeat the main body of the test and to make the overall length intolerable. Keeping these problems in mind, this summary chapter will attempt to extract from the preceeding comprehensive study the most salient points, from a policy analysis and research perspective.

The chapter will be in two parts. In the first part, major points from the case analysis will be summarized and integrated. In the second and final part, we will briefly review the utility of the conceptual framework for its intended purposes.

13B. The Significance of Strategic Decisions

Examination of the postal reform policy formation process clearly reveals that strategic decisions had a significant impact on the overall decisional processes in the sense of providing a framework and guidelines for more discrete decisions made later in the process. In my earlier theoretical work I identified five strategic decision issues: 1) the decision to make a decision to make a decision; 2) time preferences; 3) scope and intensity of change; 4) boundary delimitation; and 5) policy instruments. Although all five of these proved to be important strategic issues in the Postal Reform Case, the first three

had a relatively greater impact on the ensuing process. The Case and the analysis of it demonstrated a high degree of inter-relatedness between and among these issues.

Basic strategic decision also had a considerable impact in shaping the patterns and direction of analysis, in the sense of delimiting the direction and degree of penetration of search and in molding the nature of policy alternatives contemplated. That is, they defined "acceptable scenarios" for the analytical effort.

These points were illustrated by O'Brien's decision to propose Postal Reform, the Quadriad and Kappel Commission decisions to advocate radical change, and finally, the Nixon Administration decision to propose and support Postal Reform legislation.

13C. The Nature of the Strategic Decision Process

Reconstruction of the emergence of various strategic decisions (except in the strike-crisis phase) indicates that this was an iterative, loosely structured, open-ended, and non-sequential process. This finding is important because of the widely accepted conceptions which attempt to impose a more ordered impression about such processes than can be empirically justified. Frequently this imputed sense of orderliness and sequential nature results from attempts to associate strategies with pre-conceived "master plans" including all, or at least many, possible contingencies. The postal policy formation experience suggests that a simplistic notion to be more myth than reality. The empirical data vividly and repeatedly portrayed the ill-structured, diffuse nature of the strategic decision process themselves, as well as the structure

(context) in which these decisions are taken.

13D. The Role of Extra-rational Processes and Ideological Predispositions in Strategic Decision-Making

Analysis of the main strategic decisions taken in the postal policy formation process pointed out the crucial role of the extra-rational processes in such decision-making. The role of introspection, overall Gestalt impressions, trained experience and intuitive understanding of the broad situation was clearly demonstrated in the specific decision under investigation. The behavior of O'Brien, the Kappel Commissioners, Blount, and other policy actors demonstrated that tacit knowledge and experienced intuition may provide a feeling for the overall Gestalt of problem configuration and the direction of potential solutions.

Most of the key policymakers had a good (intuitive) understanding as to the basic nature of the problem and at least some vague notion about the general direction of potential solution, even in the early stages of the process. But these preconceived notions required stronger conceptualization, more elaboration, further crystallization, validation, and translation into more operational "policy packages". This was of the main roles and contributions of analysis to the decision-making processes. The heuristic interplay between extra-rational processes and more systematic, analytical processes was a consistent and major finding of this study. This finding challenges the widespread assumption in much of the decision theory and policy literature that there is some intrinsic antipathy between extra-rational process and analytical

process. Although this finding suggests that analysis can, at best, become an additional component in an aggregative, multi-dimensional, policy process--contributing to that process a framework for systematic thought, the creation of novel ideas, and the interjection of a futuristic orientation--in the instant case, the main contribution was along the first dimension.

13E. The Role of Ideological and Instrumental Beliefs

Another important conclusion which emerges from the analysis of various strategic decisions taken in the Postal Reform Case is related to the role of ideological and instrumental beliefs in such processes. Present findings suggest that a sophisticated understanding of policy formation processes requires taking into account those ideological and instrumental beliefs which in fact determined the images of problems held by the policymakers and at least partially predisposed them to accept or reject certain problem formulations and certain policy alternatives.

The crucial role of the ideological and instrumental beliefs as a driving force behind the policy formation process is vividly demonstrated in the Case and in the analysis of strategic decisions taken by O'Brien, by the Quadriad, and by the Kappel Commission. Perhaps the most striking example worthy of brief elaboration here is the Nixon Administration's decision regarding postal reform. As we have already pointed out, it is nearly impossible to understand this decision without penetration into the a prior ideological and instrumental beliefs held by President Nixon and by his key advisors about the role

of government in society, or more precisely, what has been labelled by Dr. Burns as Nixon's concept of "good government". The fact that the Kappel Commission recommendations were consistent with those intensely held beliefs provides the beginning of an explanation as to why President Nixon personally became committed to the postal reform idea and why he publicly made an almost irrevocable commitment to implementation of these recommendation.

A crucial factor to be noted here is that those ideological and instrumental beliefs were never seriously challenged or subjected to either self examination, or independent analysis, although the case material demonstrates that considerable attention was paid to value explication in analysis related to various strategic decisions. This suggests that under conditions where the policymaking group (policymakers and analysts) share the same ideological and instrumental beliefs, simple explication of values in analysis as originally suggested in the framework is not enough to bring those beliefs under examination by the policy system. This finding has important normative implications which will be addressed separately.

The findings which emerge from the analysis of the strategic decisions taken during the crisis period of the postal strike suggest that crisis situations tend to reduce the ideological and value sensitivity of the policymakers and may provide an impetus for reconsideration of various ideological beliefs which previously were beyond the domain of decision options now available.

The important role played by ideological and instrumental beliefs, especially at the level of policy level decision-makers whose actions may affect the entire policy process cannot be stressed too strongly.

This finding, while not new, is dramatically confirmed by the rich empirical case data. It suggests a significant role for policy analysis in not only explicating, but also inducing critical independent and self examination of these beliefs and their consequences.

A second important dimension to our finding is that the case analysis demonstrated clearly that differing (implicit) ideological and instrumental beliefs was a major source of inter-personal and inter-organizational conflict. This was particularly evident in the extended debate over the public service versus efficiency arguments underlying the opposing factions in the Postal Reform Case.

13F. Strategy Regarding Scope and Intensity of Change

One of the main characteristics of the postal policy formation process composed of several separate and partly independent decisions, taken by different actors, and located at different points on the time stream, is that each of them includes an explicit strategic decision regarding the scope and intensity of change in policy.

Examination of this network of strategic decisions from this perspective allowed enumeration of a few suggestive, interrelated, conditions under which the policy actors may tend to adopt a strategy of radical policy change. These conditions include the following:

- a) Dissatisfaction with the present state of the system and with existing policies.
- b) The existence of a perception of non-equifinality regarding the various strategic alternatives (i.e., their perceived likelihood of achieving desired system reorientation).
- c) The existence of a perception of crisis or involvement in immediate crisis.

d) The capacities, intentions, and policy leverage of the main policy actors.

We will briefly elaborate on each of these conditions.

a) Dissatisfaction with the Present State of the System and With Existing Policies. Dissatisfaction with the existing policies and a recognition of a performance gap were clearly brought out in the analysis of O'Brien's decision, of the Quadriad deliberations and Report, of the Kappel Commission proceedings and recommendations, and finally, of the Nixon Administration's decisions regarding postal reform policy initiation. This suggests that when the results of present or past policies are unsatisfactory to the policymakers and to the social strata on which they depend (either because the initial course of action was perceived as wrong, or because of the accelerated transformation of conditions) an incremental change strategy is likely to be perceived as insufficient for achieving an acceptable rate and scope of improvement in policy outcome.

Under such conditions, incremental change becomes less attractive, and a radical departure in policy is more likely to be adopted. This is so because radical change is then perceived as at least offering a way out from intolerable situations, which, even though its outcome may be unpredictable, it offers the possibility of significant improvement. Such a "definition of the situation" lay behind the approach of O'Brien, Blount, and others in the Postal Reform Case. O'Brien succeeded in capturing and articulating this notion in a memo to Kappel in which he states:

"... a primary question is whether it is worth risking abandonment of unsatisfactory certainty for possible satisfactory uncertainty."

The answer of O'Brien, of the Quadriad, of the Kappel Commission, and of Blount, was definitely positive. This fact provides one of the explanatory variables regarding the preference of several key policy actors for adoption of a strategy of radical change.

b) Perception of Non-Equifinality Regarding Various Strategic Alternatives to Achieve System Reorientation. A second suggestive variable which emerges from the analysis of the decisions regarding postal reform is related to the concept of non-equifinality. O'Brien, the Quadriad, the Kappel Commission, and finally Blount and the new Post Office management did not perceive the two recognized strategic options (radical change and incremental change in policy) as being clearly equifinal; that is, leading to the same or equivalent results.

This is a very important theoretical point because it challenges the widely accepted notion that the main difference between the radical and incremental change strategy lied in the intensity of change. That is, the belief that an accumulation of small incremental changes over a long time period may have an impact equivalent to that produced by comprehensive and rapid radical change.

In the strategic decisions in the postal case, radical or fundamental change was perceived in terms of a basic systems reorientation and a change in direction which requires the breaking of relationships with the past. There existed a general feeling that this goal was unattainable through utilization of an incremental change strategy. This finding suggests that when the goal of policy actors is the achievement of a basic system reorientation and change of direction, the tendency will be to adopt a strategy of radical vice incremental change.

c) Existence of a Perception of Crisis or Involvement in Immediate Crisis. The existence of a perception of crisis or the involvement in immediate crisis is an additional condition under which policy-makers may tend to adopt a radical departure from existing policies. Both of these conditions existed relative to the postal policy formation process in the period under investigation.

The existence of a perception of crisis characterizes the behavior of O'Brien, of the Quadriad, of the Kappel Commission, and of Blount. Although there existed differences in the weight attributed to the "imminent catastrophe thesis" in various decisional processes, the perception of crisis was still one of the main characteristics of the postal policy formation process. While O'Brien and Blount perceived crisis more in terms of an ultimate danger of system collapse, the Kappel Commission did not confirm the imminent catastrophe thesis. Instead, the Kappel Report stated clearly that the Post Office was in serious crisis. In the Kappel Commission deliberations, the crisis was perceived more in terms of a crisis of management (i.e., the lack of), rather than in terms of imminent system collapse.

An instance of involvement in immediate crisis is reflected in the postal strike phase. Examination of the postal policy formation process during the strike phase suggested that the role of crisis was significant in influencing strategic decisions. Crisis served to facilitate consensus-building in favor of a radical departure from existing policies; a situation which had been considered only a few weeks before as being outside of the realm of political feasibility. The conditions of an existence of imminent danger to the policymaker's

high priority goals, a perception of urgency, a short decision time, and a narrow range of open options, produced a consensus regarding the necessity for a radical change of direction. Such a consensus was extremely difficult to achieve in a non-crisis environment.

This suggests that under conditions of an existence of a perception of crisis or the involvement in immediate crisis, policymakers will tend to adopt a strategy of radical policy change.

d) Capacities, Intentions, and Policy Leverage of the Main Policy

Actors. Actor's capacities, intentions, and policy leverage is suggested as an additional cluster variable helping explain the preference for a strategy of radical change. The analysis of the behavior of O'Brien, of the Kappel Commission, and of Blount led us to the conclusion that actors' capacities, intentions, and policy leverage had a considerable impact on strategy preference. This study revealed that the composition of the policy formation system, with leading personalities who came from top political (O'Brien) and other policy-level organizational positions, had a considerable impact on how the problem was approached, on the direction of search, and finally on the strategy preferences of the policymaker.

Involvement in the postal policy formation process entailed various costs (including political costs) for the key policy actors. These actors were very sensitive about the protection of their reputation and, therefore, were reluctant to be associated personally (O'Brien, Kappel, and other Commissioners, Blount) or as a team (Quadriad, Kappel Commission) with what they perceived to be any secondary issues or "half-way solutions".

Thus, it becomes clear that it is nearly impossible to understand the dynamics of postal policy formation without recognizing the crucial role played by certain individuals, and without an analysis of actors' intentions and capacities. The postal policy formation process was dominated in certain phases by individual actors displaying a missionary type of leadership with strong pro-change predispositions. For example, the Conception and Birth Phase was dominated by O'Brien, the Crystallization Phase by Kappel (and other Commission personalities), the Transition Phase by Burns, and the Legislative Phase by Bount and Schultz.

The results of this study concur with Norman's observation that the ability for direction and the capacity to ensure commitment are very important for what he has termed "reorientation" (roughly identical with our definition of radical change); while it is relatively less important for the type of change termed by Norman as "variation" (incremental change).*

The postal experience suggests that the availability of an exceptional person or group with strong pro-change predispositions, willing and able to transform a potential policy issue into actual policy issues through the political process is another condition under which policy actors will tend to adopt a strategy of radical (vice incremental) change.

In the Postal Reform Case, all four of the major conditions identified and elaborated on above were present. In other cases in which

*R. NORMAN, "Organizational Innovations: Product Variations and Re-orientation", *Administrative Science Quarterly*, Vol. 16, 2 (June 1971).

all of these conditions were present, I would predict that the policy-makers would be more likely to adopt a strategy of radical vice incremental change. However, it is quite obvious that the occurrence of all four of these conditions is a relatively rare situation. Therefore, radical change may be thought of as an atypical situation occurring only under certain conditions.

I would not, however, agree with Schoettle's characterization of radical change as "random disturbances in the otherwise stable and incremental policymaking process, only momentarily producing a fluctuation in the old patterns of policymaking which quickly reassert themselves".* Our disagreement is substantive, not merely semantical. The study of the conditions under which "random disturbances" are likely to occur is a fool's errand. Furthermore, Schoettles term implies a system "aberration" which is somehow abnormal and ought to be suppressed or ignored.

Much more empirical work is necessary before the issue is well enough understood to debate it. This research tends to support the position that there are identifiable conditions under which radical change may occur (or at least may be attempted). Therefore, at this point there is little value in any dogmatic statements which imply that the occurrence of radical change is either a random or an abnormal phenomenon. The obvious importance and necessity of better understanding these conditions lies in the fact that, even though radical change may

*Enid Curtis Bok Schoettle, "The State of the Art in Policy Studies", in Raymond A. Bauer and Kenneth J. Gergen, The Study of Policy Formation; op. cit., p. 179.

occur relatively infrequently, policies pursued under a radical change strategy are likely to have far-reaching and long-standing consequences and, therefore, seem to be deserving of attention and scarce research resources. Furthermore, it may be that some policy changes simply are not attainable unless pursued through a strategy of radical change--thus, the very decision as to scope and intensity of change may itself affect the policy feasibility, a situation that was apparent in the Postal Reform Case.

13G. Identical vs. Mixed Strategies

Examination of various decisions regarding postal reform in terms of their explicit or implicit strategies clearly revealed a tendency toward reliance on identical strategies. The possibility of using mixed strategies (e.g., pursuing radical (or major) change in one policy target area and incremental change in others) was not seriously explored by policy actors in the Postal Reform Case. There exists some evidence of utilization of a shock or disequilibrium strategy aimed at opening the system to change. However, this was an implicit strategy and was primarily considered as one of the potential outputs of the radical change strategy.

This lack of attention to the possibility of following mixed strategies was characteristic of decisions made by O'Brien, by the Quadriad, and by the Kappel Commission. Later, it also applied to the Nixon Administration's decision to endorse postal reform. The main explanation of the lack of attention to such a possibility lies in the relative insensitivity of the policymakers to reform costs.

Two clusters of reasons may provide plausible explanations for this lack of sensitivity to reform costs. These include:

1) the existence of a perception that the risk of maintaining the present situation, in the long-run (some actors, e.g., O'Brien and Blount, perceived this in the short-run) may be equal or even higher than the risks associated with radical reform. This perception was shaped by a dissatisfaction with the effects of past policies and by a recognition of a performance gap. Thus, a break with the past (disregarding the cost) was perceived as being preferable to a perpetuation of the status quo. Such a perception was reinforced by a feeling that the political costs of the incremental change strategy would be equal to, or even more costly than, the costs of a radical strategy. Both of these perceptions were mainly based on intuition and rich, trained experience; and none of them were seriously challenged by analysis.

2) The existence of strong ideological and instrumental beliefs may predispose the policymakers to certain policy options which are consistent with those beliefs, with little explicit attention to the costs involved. This conclusion emerges from the analysis of the Nixon Administration's strategic decision regarding postal reform. This analysis clearly demonstrated that the appealing nature of the proposed policy alternative (the corporate structure) relative to certain ideological and instrumental beliefs held by the policymakers, resulted in a de-emphasis of cost considerations.

Each of these two clusters is, by itself, insufficient to explain the lack of attention to the possibility of utilizing mixed strategies. Taken together, those factors reinforce one another and constitute a

plausible explanation of the policy actors' behavior. This may suggest that in conditions of high dissatisfaction, a dramatic break with the past (disregarding the cost) may be perceived as preferable to the perpetuation of the status quo. Similarly, the existence of strong ideological and instrumental beliefs may result in a preference for certain policy options and a concomitant disregard of policy costs. In such situations, there is little probability that mixed strategies will be seriously considered in policy formation. Apart from the non-utilization of mixed strategies, the insensitivity to policy costs had an important impact on other modes of policy formation. For example, it resulted in a lack of any efforts to balance the radical change strategy with risk-reducing mechanisms such as experimentation or sequential decision-making.

13H. Strategy and Structure

In the earlier analysis, we pointed out that the data in the Postal Reform Case represented a situation in which structural change was advocated as a means of achieving strategic ends. Through system redesign (i.e., structural change) the policymakers hoped to create a situation conducive to attainment of their strategic goals--greater managerial flexibility and autonomy. This explicit concern with structure, on the part of macro-level policymakers, as a mechanism for the operational expression of strategy, may contribute some empirical enlightenment on the long-standing strategy-structure debate.

This is not the time to join the debate as to the direction and nature of the relationship between these two variables. The essential

organizational issues are raised in Alfred Chandler's well known book and in Radnor's recent, insightful paper.* For present purposes, I will merely state that the postal experience (to date) provides strong empirical evidence to indicate that strategy dominates structure. However, this finding must be viewed in a very tentative way. Although the implementation stage of postal reform lies beyond the scope of our study, I have noted in the analysis that the policy actors paid relatively little attention to implementation variables in general, and to what we have termed organizational feasibility, in particular.

I offer as informed speculation the view that the relative inattention to organizational feasibility may have serious dysfunctional consequences during the implementation phase.** Had more attention been paid to organizational feasibility during the early phases of the policy formation process, this variable may well have interacted with other strategic considerations so as to produce a somewhat different outcome--perhaps one in which strategic considerations would not have dictated structural considerations so directly or so strongly. Therefore, because of our presently truncated view of the total policy formation process, this finding as to the relationship between strategy

*Michael Radnor, "Management Sciences and Policy Sciences"; Policy Sciences, Vol. 2, 1971, pp. 447-456.

**Mr. Kappel, who is now serving as Chairman of the newly created Board of Governors advised us during our interview with him that the Postal Service has experienced considerable difficulty in regards to implementation actions.

and structure is offered in a very tentative way, subject to further empirical testing. However, I would conclude with the thought that perhaps the most fruitful line of inquiry would be one aimed at better understanding the real nature of the relationship between these two variables, with less emphasis on "proving" which is the leading and which is the following variable.

13I. System and Issue Delimitation

The unfixed, open, and undefined boundaries of complex policy formation generally and the interrelatedness between the policy under investigation and other related issues and systems is perhaps best demonstrated in the pay issue. The analysis of Administration strategy toward the pay issue points out the extreme difficulty of dealing with the interconnection between variables endogenous to the postal policy and variables exogenous to that policy but which influence it through cross impact.

The analysis of the Case has demonstrated the near impossibility of understanding the Nixon Administration's behavior in the postal policy formation without treating the issue within the broader context of the overall economic policy. The overall anti-inflationary policy intended to be pursued at that time by the Administration demonstrates a variable exogenous to postal policy, but which exercised strong cross-impact influence on the policy under investigation. Contrary to many other issues, the interrelatedness between the postal pay/reform strategy pursued by the Post Office and the overall economic policy was more visible and to some extent susceptible to control; but the exact

issue delimitation and the reconciliation between those two strategic decisions was extremely difficult--and until the postal-strike crisis the issue remained unresolved. The threat of a Presidential veto of the House version of HR 13000, the Administration posture in Congress, and various negotiations with the unions were all greatly influenced by spillover effects from other policies (i.e., the anti-inflationary policy and federal pay in general).

It is beyond the intention and the scope of this study to penetrate deeper into the pay issue. All that can be done here is to highlight the importance of the spillover effect from other policies on the issue under investigation.

In the Postal Reform Case, we did see a good example of a keen awareness of the implications of boundary and issue delimitation.

O'Brien (and later Kappel) brought to bear on the postal system a "definition of the situation" which was an intuitive recognition of the pattern of relationships between the Congress and the POD. Awareness of the existence of this pattern lead to important strategic decisions regarding the need to and the means of bringing about systemic changes in long-established patterns of relationships.

Thus, the Case (and analysis of it) provide empirical support for the suggestion in the framework development section concerning the value of examining system and issue boundary delimitation.

13II. Spillover Effects From Other Policies. Closely related to the topic of boundary and issue delimitation is the matter of spillover effects from other policies (cross-impact analysis). The Postal Reform

Case suggests that spillover effects from other policies constitute a very important factor for analyzing and understanding behavior of the policy system. The spillover effect from other policies on the particular policy under investigation was demonstrated at least in three separate decisions:

- 1) the impact of the Johnson Administration's desire to remove the burden of the huge postal deficit from the federal budget on the treatment of O'Brien's reform proposal.
- 2) the impact of the Nixon Administration's overall anti-inflationary policy on the important decisions regarding pay and ultimately the marrying together of pay and reform considerations.
- 3) the impact of the policy of the federal government and organized labor to improve labor-management relations in the public sector. More specifically, the impact of the desire on the part of some government officials and some union leaders to initiate and institutionalize collective bargaining in the public sector on the strike settlement and the resultant Administration/Union coalition in support of postal pay and reform.

The case analysis suggests a very mixed sensitivity to the implications of the above inter-connections. With the possible exception of the first item, there was not conscious sensitivity to the possible spillover effect of other policies on the postal reform strategy until overt conflict began to emerge.

13J. Overall Strategy

13J1. Johnson Administration. Case analysis has shown that under the Johnson Administration there was an absence of an overall strategy regarding postal reform. O'Brien's policy initiatives can hardly be characterized as an integral part of an overall strategy. Rather, it

was much more of a personal initiative with tacit approval from President Johnson. The lack of an overall Administration strategy regarding postal reform attribute mainly to the absence of a strategic decision to make a policy decision.

President Johnson's management strategy was based on an expectation that consensus would be reached among his advisors before he was called upon to make a strategic decision. While some degree of consensus was evident in regards to the decision to authorize O'Brien's speech, this was not the case in regards to the broader strategic question of endorsing postal reform. O'Brien's departure from the postal scene and Watson's strong resistance to the corporate reform idea advocated by the Kappel Commission made consensus on this issue practically impossible. This lack of consensus finally dampened Johnson's enthusiasm for the entire reform idea.

Thus, without a strong commitment from Johnson personally, and in the absence of a consensus among his advisors, the decision to make a policy decision was not made and, therefore, no overall strategy was ever planned. Although a belated endorsement of postal reform was made in the last moments of the Johnson Administration, this was so late as to obviate the need for any overall strategy.

I see in the strategic milieu surrounding the Johnson Administration the critical impact of idiosyncratic personal and situational variables and suggest that personalities may play a decisive role in certain pivotal phases of the policy formation process. This further suggests the high potential value of examining personal, motivational variables in policy research and analysis.

13J2. Nixon Administration. In contrast to the Johnson Administra-
tion, the Nixon Administration did develop and follow an overall
strategy towards postal reform. Although this strategy was informally
developed and at times only implicitly articulated (except in regards
to particular legislative proposals), it was consistently followed
and served as a guideline for secondary strategic and tactical deci-
sions. The development of an overall strategy by the Nixon Administra-
tion was closely linked to the early, strong, and explicit decision to
make a policy decision. This, as we have seen, is directly attributable
to Nixon's strong personal commitment to the reform idea, and to the
"availability" of the reform proposal as an actionable policy package.
This again underscores the important role of personal and situational
variables.

I would point out, however, the fallacy of the illusionary notion
that the existence of an overall Administration strategy resulted in the
absence of differing views within the Executive Branch regarding postal
reform. In fact, as we have already seen, the Executive Branch was far
from monolithic on this issue. Although not fully perceived by out-
sider, there was, within the Administration a continuous collision of
viewpoints and interests. These ranged from minor reservations to a
more basic questioning of the essence of the reform idea. However,
these diverse and diffuse interests and views were eventually over-
shadowed by the strong personal desire of the President to achieve the
postal reform goals he had originally committed himself to, even though
the cost of doing so had grown considerably.

Thus, the Nixon Administration did have and consistently (almost

rigidly) followed an overall strategy, but the formulation of this strategy omitted any early and serious concern for the issue of reform costs. Furthermore, the rather inflexible implementation of the strategy served to further increase the magnitude of the policy resources necessary to achieve the strategic goal. This suggests a critical (and in this instance overlooked) role for analysis in counter-balancing the likely impact of strong personal commitment by focusing explicit attention on cost and other variables which tend to be de-emphasized when strong ideological and instrumental beliefs are dominating the formulation of policy strategies.

Even though the Nixon Administration did have an overall strategy regarding postal reform, this strategy did not explicitly take into account inter-connections with other policies and systems and spillover effects. Thus, in strategy implementation, postal reform goals, and other goals (e.g., the desire to control inflation) came into conflict and no mechanism or structure (short of the crisis induced personal involvement of the President) existed for dealing with such high level policy conflicts. This points out both the extreme difficulty and the critical importance of achieving policy coordination at the highest levels of government, and tends to show how analytical attention to inter-connections and spillover effects might serve to improve the policymaker's capability to achieve a higher degree of coordination.

13J3. Strategy Consistency. The postal reform proposal, as presented in various Administration bills, was directed at changing the interface and the power distribution between Congress and the Post Office in the

direction of strengthening the overall influence of the managers of the postal system on the policy formation process and in allowing these managers a high degree of autonomy and independence. The means to this end was seen as a severing of the dependency of the postal system on the Congress. From this perspective, the strategic goals and actions of the Nixon Administration were consistent throughout both the Transition Phase and the Realization Phase of the Postal Reform Case. Although, for tactical reasons, the administration's postal reform proposals appeared under different names and sometimes were sponsored by different Congressmen, the main strategic patterns remained unchanged and were consistently pursued.

Of course, as we have already seen, this consistency (bordering on rigidity) was sometimes costly in terms of scarce policy resources. On the other hand, there appears to be a high degree of consensus among the key policymakers interviewed during this study that this very consistency and clarity in strategy (goals and actions) was a very important factor in achieving ultimate success in the legislative arena. Yet, as the Case and analysis have emphasized, even such an assessment must be tempered by considering the impact of crisis (the postal strike) on the policy formation process.

13K. The Impact of Crisis on Policy Formation

Analysis of the Postal Reform Case has shown that the impact of crisis (mainly the postal strike) on the policy formation process was significant. It was manifested in regards to consensus-building, changing coalition membership, changes in value sensitivity, and, changes in search behavior.

1) Consensus-building and attitudinal change. This study showed that crisis served to speed and otherwise facilitate consensus-building. However, the crisis induced consensus did not really change existing attitudes of the policy actors. When the danger of imminent crisis subsided, previously existing attitudes (as manifested in patterns of behavior) quickly reasserted themselves. My interpretation of this phenomenon is that crisis created a shift in the goal priorities of the policy actors, but did not produce basic attitudinal changes.

2) Coalition membership. Another impact of crisis well demonstrated in the postal reform policy formation process is the change in coalition membership. During the crisis stage, the patterns of relationships among policy actors (both individual and institutional) were dynamically changing. Bargaining positions and other elements of power were altered by time pressures. Specifically, the historically strong coalition between the postal unions and the Congress (especially the House Post Office and Civil Service Committee) was drastically altered by an ad hoc Postal Union/ Executive Branch coalition which emerged out of the crisis and which ultimately resulted in passage of the postal reform legislation.

Thus, crisis tends to induce changes in coalition membership, with

old alignments being broken-up and temporarily replaced by emergent ad hoc arrangements. This also tends to increase system uncertainty because, while old patterns of relationships were broken up, new, more stable relationships (ways of doing business) have not yet evolved out of the drastically restructured system.

3) Value sensitivity. This study has suggested that a further impact of crisis is the reduction of the value sensitivity of various policy actors. Furthermore, crisis tends to provide an impetus for reconsideration of values which are usually beyond the domain of decisions.

4) Search Behavior. Crisis served to considerably reduce both the scope and the duration of search activity. The crisis atmosphere reduced the time available for search and also limited the kind of alternative being searched for in the sense that only an already relatively "worked out" policy alternative would be acceptable in search. Thus, it is clear that the impact of crisis on policy formation may be quite significant, and an understanding of policy actors' behavior should be heightened by an examination of this dimension.

13L. Policy Instruments

In this particular study, the use of the concept of policy instruments has been restricted to structural dimension. The general use of the concept implies no such restriction and so in other situations, other dimensions might be more appropriately focused upon.

This study has demonstrated that the strategic impact and importance of decisions regarding policy instrument choices lay in molding the structure of the policy formation system and in creating mechanisms for

the management of policy analysis. Thus, we saw that the creation of the Quadriad and of the Presidential Commission served to mold and shape the overall mode of the policy formation process, including the nature and direction of search, and to some extent the nature and scope of policy alternatives dealt with.

In the Postal Reform Case, strategic decisions regarding policy instruments were based more on rich, trained experience, political intuition, and pragmatic considerations rather than on the results of any systematic analysis. The internal Kappel Commission decisions relating to policy instruments were a marked exception to this pattern. This points out the anomaly which permeated the Crystallization Phase. The Commissioners (and Staff) perceived that the President would have different expectations of them than they had of the Staff and contractors insofar as the nature and degree of rigor in the conduct of systematic analysis and the presentation for decision of the full range of the output of such analysis.

13M. Time Considerations

This study has vividly shown that the policy formation process is a time sensitive endeavor. As a strategic considerations, time was shown to be important both in terms of time preferences with respect to desired policy outcomes, and in terms of the timing of specific inputs to the policy process. The time sensitive nature of policy formation was demonstrated by crucial examples such as the timing of O'Brien's speech, the timeliness of the creation of the Presidential Commission, and the dysfunctional consequences of the delayed endorsement of the Kappel Report by the Johnson Administration. Similarly, the strong and early

decision of the Nixon Administration to endorse postal reform had a major impact on the ensuing policy process.

In addition, a key, and often ignored, finding of this study was the relationship between time, systematic analysis, and strategy formulation. Because systematic analysis can be very time consuming, an unwillingness on the part of influential policymakers to allow(invest) adequate time for analysis can severely impair the quality and role of analytical inputs to the policy process. In the Postal Reform Case, we saw an instance where policymakers systematically allowed time for analysis and the outputs from that analysis significantly impacted on the policy process. Furthermore we saw a close inter-connection between the output from analysis (for which adequate time had been programmed) and strategy formulation in the sense that the results of analysis partially shaped strategic time preferences with regard to policy outcomes.

13N. Policy Feasibility

Examination of the postal policy formation process from a policy feasibility perspective clearly brought out the fact that policy feasibility is a dynamic, time sensitive, and opportunistic concept. However, the relationships between time and policy feasibility were shown to be neither linear, nor fixed in direction, nor continuous. At certain points the feasibility increased dramatically by "jumps" (for instance, after O'Brien's speech, after the Colson-Rademacher agreement, and especially during the postal strike). At other points, the feasibility decreased, endangering opportunities for policy action, or nearly resulting in their loss (for instance, the absence of a strong, timely endorsement of the Kappel Commission Recommendations by the Johnson

Administration, and after the 13:13 tie vote in the House Post Office Committee).

13N1. Variables Shaping Policy Feasibility. The central finding regarding policy feasibility is that it is variable, i.e., it can be molded by the policy actors. This was shown to be especially true in regard to political feasibility. The findings from this study suggest two main cluster variables which were important in shaping policy feasibility: 1) policy actors capacities and their policy leverage and intentions; and, 2) the impact of crisis.

1) Actors' Capacities, Policy Leverage, and Intentions. Actors' capacities and their policy leverage and intentions had an important impact on the dynamics of shaping policy feasibility. This was demonstrated by the role of several key policy actors (e.g., O'Brien, Kappel, and Blount) in the postal policy formation process. For instance, O'Brien's capacity to transform a potential policy concern into an actual policy concern, Kappel's policy leverage vis-a-vis the incoming Administration, and Blount's missionary commitment to the reform idea, are only a few illustrative examples of this phenomenon.

It is important to recognize that actors' policy leverage differed with respect to different policy target areas. The most striking example of this phenomenon is the extremely low policy leverage of both the Johnson and Nixon Administrations vis-a-vis the postal unions, (at least until the strike crisis). It is extremely difficult to document this, but it is my informed impression that a significant increase in the policy leverage of either (or both) political administrations would probably have reduced some of the significant policy costs otherwise

incurred by the White House.

Two conclusions emerge from the findings regarding the impact of actors' capacities and their policy leverage and intentions. First, although policy feasibility is partly dependent upon environmental and situational variables (many of which are beyond the control of the policy-makers) in some situations it can be at least partially molded by capable policy actors. Secondly, the existence of a missionary commitment to certain policy goals on the part of an aggressive leader can result in the penetration of otherwise monolithic barriers. Under such conditions, a capable and committed policy actor may achieve goals that previously had been considered to be outside of the realm of feasibility. This conclusion goes hand in hand with our observation that policy actors who display such missionary leadership often prefer to deal with the more dramatic, strategic aspects of policy formation and consider the implementation aspects of policy formation to be a more mundane, less attractive endeavor. This suggests that different kinds of leadership might be more effective during different phases of the policy formation process.

2) The Impact of Crisis on Policy Feasibility. The impact of crisis on the molding of policy feasibility has been demonstrated in the case analysis, especially relative to the postal strike stage. Case analysis suggested that the postal strike crisis was instrumental in enhancing the policy feasibility of the postal reform idea. During the period between the Conception and Birth Phase and the occurrence of the strike crisis, the policy system's readiness for change increased in a step level function as a result of dissatisfaction and perceived crisis. However, this increase was not enough to break the strong resistance to

the Administration's reform proposal. The strike crisis can be viewed as a critical event which upset the then existing equilibrium between supporters and opponents of postal reform. The strike crisis may usefully be thought of as releasing a focused charge of energy sufficient to upset a delicate, dynamic equilibrium and thus enabling a change in policy to materialize.

The strike situation created a condition in which there was: 1) an imminent danger to the high priority goals of key policy actors; 2) a perception of urgency; 3) a short decision time; and 4) a narrow range of open options. The existence of these conditions facilitated consensus regarding a radical departure from existing policies. Such a consensus had been nearly impossible to achieve under a non-crisis situation.

These findings also suggest that the crisis event mobilized the application of policy energy and drive to postal problems to a degree significantly higher than that existing at "normal" times. This energy and drive was primarily manifested in the close involvement of the President, The Secretary of Labor, Mr. George Meany, and other key policy actors during the postal strike phase. This conclusion confirms the broader observation that "in general crisis concentrates, non-crisis disperses attention".

However, although the crisis event facilitated consensus and intensified the application of policy energy to the postal reform issue, it is doubtful whether it changed the existing attitudes, at least in the short run. There is evidence that old patterns of behavior tended to reassert themselves quickly as soon as the danger of imminent crisis was

over. This leads us to the conclusion that what really happened was a shift in the priority of short-term goals, without the occurrence of any basic attitudinal change on the part of the main policy actors. In addition to the shift in the priority of goals, the crisis event reduced the value sensitivity of various actors, thus allowing them to endorse certain decisions which they otherwise may have opposed.

13N2. Degree of Attention to Policy Feasibility Dimensions. The concept of policy feasibility suggested in Chapter Five is tri-partite in nature; consisting of political, economic, and organizational dimensions. Present findings indicate that these three main dimensions received unequal attention in analysis and in various decisional processes. The Case analysis has shown that an intense degree of attention was devoted to the political feasibility dimension. The economic dimension also received relatively extensive treatment. However, the organizational feasibility dimension received relatively little explicit attention. To the extent that organizational feasibility was considered, the main focus was on the structural component, while the behavioral component was nearly ignored.

It should be noted that although these three dimensions of policy feasibility seem to be conceptually valid distinctions, in practice, the policymakers tended to intermingle consideration of all three dimensions in a somewhat ill-defined manner. Thus, while these conceptual distinctions are useful for understanding policy formation behavior, they should not be interpreted as behavioral descriptions. In some cases, this amorphous intermingling made it difficult to assess which dimension of policy feasibility was being given emphasis. However, within this

reservation, it is clear that the degree of awareness and concern for policy feasibility on the part of the policy actors may be ranked as intense for political feasibility, moderate for economic feasibility, and low for organizational feasibility.

Earlier detailed analysis of discrete decisions suggested two main variables which help explain the above phenomenon. Those were: 1) the relative lack of attention to the implementation dimension, and 2) the tacit belief that organizational issues would be "ironed out" during the implementation stage. We will briefly examine these two main variables.

1) The relative Lack of Attention to the Implementation Dimension.

During the entire policy formation process the policy actors concentrated on the implementation dimension only to the extent that it was perceived that this issue had some importance in terms of the probability that the proposed alternative would receive sufficient support to be approved. Except for some minor attention late in the process, there was practically no concern with implementation in the broad sense; namely, with the variables affecting the acceptance and successful implementation of the policy change by the focal organization. Given the strategy that defined the first order issue as one of obtaining legislative approval for the policy change, it is not surprising that organizational feasibility (in an implementation context) was quite neglected during the postal policy formation process.

2) Tacit Belief that the Organizational Issues Would Be Ironed Out

During the Implementation Stage. A distinct but closely related variable was the tendency to view organizational feasibility (and especially

its behavioral aspects) as a secondary issue that would hopefully be "ironed out" during the implementation stage. This near total neglect of organizational feasibility was manifested in a complete absence of any early implementation planning. This behavior can be attributed to the external, systemic orientation of the main policy actors, and to their preference for dealing with the more dramatic (and presumably more important in their perception) aspects of the policy formation process.

13N3. The Stigma Attached to a Concern For Political Feasibility. One potentially important behavioral finding generally ignored in the literature is the observation that there existed an almost unanimous reluctance on the part of the major policy actors to "admit" that they had taken actions aimed at molding policy feasibility. As we noted earlier, most policy actors did not clearly discriminate between political, economic, and organizational feasibility in their thinking and action. More often than not, the term "feasibility" was used in an all inclusive manner, but with a distinct emphasis on the political dimension. However, while many of the policy actors we interviewed freely "accused" others of engaging in "political maneuvering", nearly all of them took special pains to assure us that they did not engage in such practices. This is especially surprising in the case of those actors whose behavior is portrayed in the Case as intentionally and very skillfully taking overt action to mold the political feasibility of the corporate reform proposal.

Nonetheless, this behavior may be understood in terms of several factors. First, the very word "political" seems to have a deeply ingrained pejorative connotation which many policy actors prefer to avoid. This was an especially sensitive issue in the Postal Reform Case, given that

a major part of the rationale for advocating the reform of the postal system was the implied "good government" objective of "removing the POD from politics". Secondly, some actors (e.g., The Kappel Commission and the POD) wanted to create a public image of balance and objectivity. An admitted concern with "political feasibility" was probably perceived as being inconsistent with that desired image. Finally, there may have existed a perception that the value of such feasibility-molding action as was undertaken might be undermined if exposed to public scrutiny.

Thus, the central conclusion from these findings is that the term political feasibility is very imprecisely used and that it is burdened with a persistent negative connotation (implying all manner of sub-rosa activity) which tends to act as a barrier to effective understanding and application of the phenomenon. Also, this study has indicated that policy actors do not think and act in terms of the conceptual structure used here to attempt to understand behavior. This emphasizes again that the conceptual framework is not intended to be applied as a descriptive model of actual behavior, but rather, as an heuristic aid to understanding and research.

130. The Conceptual Framework In Retrospect

Section 13A indicated that the second and last part of this chapter would include an assessment of the viability of the conceptual framework as judged against the objectives set out for it early in this study.

With the full realization that the reader may or may not concur, a few summary comments will be offered from the author's perspective. These comments flow from an introspective and retrospective analysis of expectations and accomplishments insofar as this study is concerned.

On balance, I feel that the conceptual framework for analysis was a most useful heuristic aid insofar as focusing attention on certain variables and suggesting what to look for when examining these variables. Given its flexible and suggestive nature, the framework supplied no "answers", but it was never intended to do so. To an even higher degree than I had originally anticipated, the framework was very useful in highlighting linkages and interdependencies between and among variables.

It seems quite clear that any policy analyst or policy researcher would know infinitely more about the postal reform policy process after having applied the conceptual framework than before such an attempt. Furthermore, in the process of application, attention to one variable, or to the relationship between certain variables, other relationships are suggested as a result of the very process of guided analysis; the framework being the guide and focusing mechanism.

It was recognized at the outset that this conceptual framework for analysis was a very tentative one which required both refinement and further elaboration through application and testing. At this stage, often application of the framework to the Postal Reform Case, I do not see the need for any major revisions in the structure or content of the framework. I do see the need for investing a great deal of effort in further operationalizing some of the concepts included in the framework, so as to facilitate wide-spread application and replication.

In a broader sense, this "test" of the framework was inherently limited because of application to only a single case study. However, even that aspect must be tempered by recognition that the Postal Reform Case

was so complex and comprehensive, and because it consisted of several major policy decisions and many subsidiary supporting decision, that it in reality was several integrated cases. Nonetheless, there is an urgent need to now apply the conceptual framework for analysis to many other policy cases under varying circumstances.

Thus through further application and testing, this framework will be refined, elaborated, and most certainly improved. I already have specific plans to embark upon additional research which will entail application of the framework to other, already documented, policy case studies. This type of effort, along with the development of new, policy-oriented, behavioral case studies is of great importance and represents a difficult and costly endeavor. There is far more that needs to be done and the reader is most earnestly invited to join me in this challenging future.

Appendix "A"

Key Personalities In the Postal Reform Case

ANDERSON, Martin, Dr. - Director of Research during President Nixon's 1968 Campaign; Chief of Staff of the Presidential Transition Task Force (1969); Special Assistant to Presidential Councillor, Arthur Burns.

BLOUNT, Winton M., Mr. - Postmaster General of the United States.

BURNS, Arthur F., Dr. - Personal Advisor to President-elect Nixon; Councillor to President Richard Nixon (January 1969 - January, 1970).

BURRIS, Richard, Mr. - Special Assistant to Presidential Councillor, Arthur Burns.

CALIFANO, Joseph A., Jr., Mr. - Special Assistant to President Lyndon B. Johnson.

COHEN, Stanley R., Mr. - Washington Editor, Advertising Age.

COLSON, Charles W., Mr. - Special Counsel to President Nixon, White House.

COMAROW, Murray, Mr. - Executive Director of the President's Commission on Postal Organization.

DERWINSKI, Edward J., Rep. (R., Ill.) - Minority Member, House Post Office and Civil Service Committee.

DULSKI, Thaddeus J., Rep., (D., N. Y.) - Chairman, House Post Office and Civil Service Committee.

EHRLICHMAN, John D., Mr. - Special Assistant (Domestic Affairs) to President Richard Nixon, White House.

HARLOW, Bryce, Mr. - Special Counsel to President Richard Nixon.

KAPPEL, Frederick R., Mr. - Former board chairman of AT & T; Chairman of the President's Commission on Postal Organization, New York City.

LEE, Ronald B., Mr. - Assistant Postmaster General for Planning and Systems Analysis, Post Office Department; Member of the "Quadriad".

LEWIN, Larry, Mr. - Special Assistant to PMG Lawrence O'Brien; Member of the "Quadriad".

MAY, Timothy J., Mr. - Former General Counsel, Post Office Department; Member of the "Quadriad".

MAYO, Robert P., Mr. - Former Director of the Bureau of the Budget, Chicago.

MC GEE, Gale W., Senator (D., Wyo.) - Chairman, Senate Post Office and Civil Service Committee.

O'BRIEN, Lawrence F., Mr. - Former Postmaster General of the United States (November 1965 - April 1968); Co-chairman, Citizen's Committee for Postal Reform.

RADEMACHER, James H., Mr. - President, National Association of Letter Carriers (AFL/CIO).

SCHULTZE, Charles L., Mr. - Former Director of the Bureau of the Budget (June 1965 - June 1968).

SHULTZ, George P., Mr. - Former Secretary of Labor, U. S. Labor Department.

SIMON, Benson J., Mr. - Budget Analyst for the Post Office in the Bureau of the Budget; Professional Staff member of the President's Commission on Postal Organization.

UDALL, Morris K., Rep. (D., Ariz.) - Member, House Post Office and Civil Service Committee.

WATSON, Marvin, Mr. - Former Postmaster General of the United States (April 1968 - January 1969).

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